



## URBAN WATER SUPPLY AND SANITATION SECTOR PROJECT (UWSSSP)

Solomon Islands Water Authority

### Quarterly Progress Report Q1 2024

Loan and/or Grant Number(s):

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## ABBREVIATIONS

|       |  |
|-------|--|
| ADB   | Asian Development Bank   |
| AP    | Affected Person  |
| BER   | Bid Evaluation Report  |
| BoQ   | Bill of Quantity   |
| CAC   | Community Advisory Committee   |
| CCECC | China Civil Engineering Construction Company Co Ltd  |
| CESMP | Construction Environmental and Social Management Plan                                      |
| CMO   | National Catchment Management Officer  |
| CMS   | International Catchment Management Specialist  |
| CoC   | Code of Conduct  |
| CSO   | Community Service Obligation   |
| DCA   | Development Consent Agreement  |
| DDR   | Due Diligence Report   |
| DFAT  | Australian Department of Foreign Affairs and Trade   |
| DLP   | Defects Liability Period   |
| EA    | Executing Agency (Solomon Islands Government through the Ministry of Finance and Treasury) |
| EIS   | Environmental Impact Statement   |
| ERP   | Enterprise Resource Planning   |
| ESMP  | Environmental and Social Management Plan   |
| EU    | European Union   |
| FFA   | Financing Framework Agreement  |
| FSM   | Faecal Sludge Management   |
| GAP   | Gender Action Plan   |
| GBV   | Gender-based violence  |
| GEF   | Global Environment Fund  |
| GIS   | Geographic Information System  |
| GP    | Guadalcanal Province   |
| H1    | First half of year - January to June (inclusive)   |
| H2    | Second half of year - July to December (inclusive)   |
| HCC   | Honiara City Council   |
| HCD   | Human Centred Design Workshop  |
| HDPE  | High Density Polyethylene (pipes, and other components)                                    |

|       |  |
|-------|--|
| HNWS  | Honiara Water Supply   |
| HNWW  | Honiara Wastewater   |
| IA    | Implementing Agency (Solomon Water)  |
| IEE   | Initial Environmental Examination  |
| IR    | Involuntary Resettlement   |
| JSA   | Job Safety Assessment  |
| KGVI  | King George VI School, Honiara   |
| LARP  | Land Acquisition & Resettlement Plan                                       |
| LDCF  | Least Developed Countries Fund   |
| LLSI  | Live and Learn Solomon Islands   |
| M&E   | Monitoring & Evaluation  |
| MAL   | Ministry of Agriculture and Livestock                                      |
| MCA   | Multi-Criteria Analysis  |
| MECDM | Ministry of Environment, Climate-Change, Disaster Management & Meteorology |
| MHMS  | Ministry of Health & Medical Services                                      |
| MOU   | Memorandum of Understanding  |
| NGO   | Non-Government Organisation  |
| NRH   | National Referral Hospital   |
| PAM   | ADB Project Administration Manual  |
| PE    | Polyethylene   |
| PER   | Public Environmental Report  |
| PES   | Payments for Ecosystem Services  |
| PISI  | Plan International Solomon Islands   |
| PMEF  | Project Monitoring and Evaluation Framework                                |
| PMU   | Project Management Unit  |
| PPE   | Personal Protective Equipment  |
| PRF   | Project Readiness Financing Grant  |
| PS    | Pump Station   |
| Q1    | First Quarter of year  |
| Q2    | Second Quarter of year   |
| Q3    | Third Quarter of year  |
| Q4    | Fourth Quarter of year   |
| REOI  | Request for Expressions of Interest  |
| RFP   | Request for Proposals  |

|        |  |
|--------|--|
| RSA    | Regional Safeguard Advisor, World Bank           |
| SCADA  | Supervisory Control and Data Acquisition         |
| SDA    | Seventh Day Adventist                            |
| SIG    | Solomon Islands Government                       |
| SIPA   | Solomon Islands Port Authority                   |
| SMP    | Contractor Safety Management Plan                |
| SMR    | Semi-Annual Safeguards Monitoring Report         |
| SSEC   | South Seas Evangelical Church                    |
| SW     | Solomon Water                                    |
| TMP    | traffic Management Plan                          |
| TOR    | Terms of Reference                               |
| UNICEF | United Nations Children's Fund                   |
| USD    | United States Dollars                            |
| UWSSSP | Urban Water Supply and Sanitation Sector Project |
| UXO    | Unexploded Ordnance                              |
| WASH   | Water, Sanitation and Hygiene                    |
| WB     | World Bank                                       |
| WinS   | WASH in Schools                                  |
| WTP    | Water Treatment Plant                            |



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# 1 INTRODUCTION

## 1.1 Project Summary

The Solomon Islands Urban Water Supply and Sanitation Sector Project (UWSSSP) will improve access to safe water and improve sanitation in urban and peri-urban areas of Solomon Islands. The project adopts a sector approach with the objective of developing sustainable, inclusive, and climate resilient water supply and improved sanitation in the greater Honiara area, Auki, Gizo, Noro, Munda and Tulagi. The project is implementing high priority components following the government's water and sanitation sector plan to increase access to piped water supply and sanitation services, especially among poor households; reduce reliance on groundwater and rainwater harvest and ensure more efficient use of water. The project will also enhance hygiene awareness, promote water conservation and improve faecal sludge management.

There are five main project components:-

- Component 1 – Secure and safe urban water supplies;
- Component 2 – Effective, efficient and safe urban sanitation services;
- Component 3 – Enhanced awareness of good hygiene and water issues and sustained improved hygiene behaviour;
- Component 4 – Ensure SW is financially and technically sustainable;
- Component 5 – Management of Honiara's watershed areas strengthened to build resilience to climate change.

## 1.2 Quarterly Progress Report Achievements

This is the fourteenth Quarterly Progress Report and covers the first quarter (Q1) of 2024, 1<sup>st</sup> January through 31<sup>st</sup> March 2024.

The progress towards achieving project objectives in Q1 2024 was less than had been expected, but significant nonetheless. It is pleasing to report:

- HNWS Water Reservoirs – New Concrete Tanks at Panatina, Tasahe and Titinge
  - Contract awarded to Pacific Engineering Projects Ion Exchange JV for USD 7,105,695 in April 2022. Intended Completion Date 30<sup>th</sup> November 2023.
  - Rebar and formwork for floor slab completed at Tasahe and Titinge and slab concrete poured by April 2024. Formwork and rebar commenced at Panatina tank during the quarter.
- HNWS Trunk Mains – Construct 11km of Trunk Water Mains in Honiara
  - Contract awarded to Pacific Engineering Projects Ltd for USD 7,781,80 in May 2022. Intended Completion Date 18<sup>th</sup> December 2023.
  - Contract preliminaries (eg. insurance, limited site office facilities, ordering materials) completed and some permanent works were completed during the reporting period. Some 1.7km of pipe has been

laid at Panatina Ridge, Ranadi and Tanakake Road, with pipelaying commenced in Q1 around White River.

- Kongulai Water Treatment Plant (WTP) – Build New WTP and 1km Pipeline
  - Contract awarded to Rean for USD 15,646,656 with a start date of 5<sup>th</sup> May 2022. Intended Completion Date 29<sup>th</sup> June 2023.
  - Works partially complete at 13<sup>th</sup> Dec 2023, Contractor Site presence subsequently limited to security/maintenance personnel.
  - Following contract termination on 13<sup>th</sup> December 2024 the contractor obtained High Court orders staying the termination and preventing SW from cashing the Performance Security bond (bank guarantee). After several court hearings the matter remained unresolved with the High Court's decision on the interim orders still pending as at 31<sup>st</sup> March 2024.
  - Nevertheless, throughout Q1 the contractor continued to report progress on maintenance of the site, site offices and sediment controls.
- Honiara Wastewater Ranadi Rd (Ela Motors) to Goodwood Outfall Sewer Works – 1.2km of Sewer Pipes (DN200 PVC to DN400 HDPE) and Associated Manholes and Pump Station.
  - Contract awarded to Pacific Engineering Projects Ltd (PEP) on 4<sup>th</sup> October 2022 for USD 6,044,066. Intended Completion date was 28<sup>th</sup> October 2023.
  - Offshore materials and equipment procurement is now 100% with the arrival of all the civil, structural, mechanical and electrical items for the pump station in Q4 2024.
  - By April 2024 the contractor had progressed sewer pipe installation on Ela Motors -Sol Rice-Goodwood Road (40%), SolRice Rd (West) (100%) and SI Cement Rd (East) (80%) although no Manholes have been installed yet
  - Contractor is however behind schedule and project completion will likely be September 2024.
- Provincial Water Supply (WS) Upgrades (Noro, Munda, Gizo and Tulagi)
  - Noro WS Upgrade was signed on 25<sup>th</sup> January 2024. There is an ongoing discussion with land claimants which will defer commencement of works until around July 2024 however the claimants generally support the project and their claims question only to whom lease payments for SW's three existing operational sites should be paid.
- Under component 5 Watershed Protection (Global Environment Fund (GEF) financed), water quality monitoring equipment was maintained and data collected at two sites (Kongulai and Kombito sources). The monitoring and telemetry equipment remains in place and functioning and is proving essential to SW's Operations staff. PMU worked with Fluvio to replace the previous cloud-based reporting portal belonging to University of Queensland and the new portal commenced operation in March 2024. New river monitoring stations

(one of which is video-based) were also installed in the upper and lower Lungga River and are being remotely logged.

- Coordination between key stakeholders for catchment management was improved through site visits, consultations/workshops and cooperation in various fields of work (nursery production and settlement expansion etc.) Vetiver grass planting is now being increasingly used for erosion protection at SW catchments and other sites (recently at Tuvaruhu Yard, Kongulai Catchment and Rove Source)
- An international consultant (Nakau) and a local NGO (Live & Learn) continued work to develop a PES project and a strategy for income generation for customary land owners of the target catchments. A work plan has been completed for the implementation of PES proposals.



## 2 UWSSSP IMPLEMENTATION

The UWSSSP project is being implemented over seven years and is scheduled to be completed by 31 December 2028. The Solomon Islands Government (SIG) is the Executing Agency (EA) of the project, under the Ministry of Finance and Treasury. SW is the Implementing Agency (IA) and plays an instrumental role in coordinating the provision of financing from various sources and is responsible for the overall management, coordination and implementation of the project. Within SW, a Project Management Unit (PMU) is established to oversee and coordinate day-to-day activities of project implementation and make disbursements.

The financing to the Solomon Islands for the UWSSSP was approved by the project partners in 2019. The approved financing includes:

- (i) a World Bank (WB) credit (concessional loan) of USD 15.0m which was approved on 16th May 2019;
- (ii) a grant of EUR 18.0m (USD 20.347m equivalent) from the European Union (EU) which was approved on 8th July 2019 and is to be administered by Asian Development Bank (ADB). The grant conditions were satisfied and it was declared effective by ADB on 28<sup>th</sup> April 2023, some 3 years and 7 months after it was signed;
- (iii) a grant of USD 9m (ADB), a concessional loan (COL) of USD 28.0m from ADB which was approved on 25th September 2019, a Subsidiary Grant of USD 4.6m signed on 25<sup>th</sup> January 2022; and,
- (iv) USD 9m in-kind contributions from Solomon Water (SW).

Additional financing of USD15m (made up of USD 13.00m loan and USD 2.00m grant) has been committed by WB and is on track to become effective in Q2 of 2024. Further additional financing in the form of a USD 25.00m grant has been indicated by ADB with effectiveness currently targeted for mid to late 2024.

The Solomon Islands Government (SIG) is contributing USD 11.473 million equivalent through the exemption of taxes and duties.

The effectiveness of the EU grant (declared on 28<sup>th</sup> April 2023) was a major step forward. It enabled the first (Noro) of SW's three planned water supply contracts to go to market in Q3 of 2023 with contract award on 25<sup>th</sup> January 2024.

### 2.1 Project Readiness Financing Grant (PRF) Component

#### 2.1.1 Implementation Progress

The ADB Project Readiness Financing Grant (PRF) mechanism had been funding a USD 3.0m grant (outside of the UWSSSP) to undertake detailed engineering design and bid document preparation as well as support specialist inputs in the PMU during the period prior to effectiveness. The PRF consists of 2 parts being Part 1 – Detailed Engineering Design and Part 2 – Specialist Inputs.

##### 2.1.1.1 PRF Part 1 – Detailed Engineering Design

Suez Consulting (SAFEGE) was contracted to carry out the detailed engineering design for Honiara Water Supply and Wastewater, and Provincial Water Supply. The Project Readiness Financing (PRF) design project was completed and the contract expired on 31<sup>st</sup> December 2022. The total contract value (excluding contingency but including an additional amount of USD 450,000 for agreed extra work) is

USD 4,222,811. The outstanding balance was disbursed with one final payment in Q4 of 2023.

The scope for the detailed design work was split into five (5) parts:-

- (i) Honiara Water Supply (HNWS) Trunk Mains
- (ii) Honiara Water Supply Service Reservoirs
- (iii) Honiara Wastewater (HNWW) Trunk Sewers and Pump Stations;
- (iv) Honiara Wastewater Outfalls and Outfall Pumps Stations; and,
- (v) Provincial Water Supplies (Noro and Tulagi - upgrades; Gizo and Munda - new systems).

Table 2-1 below indicates key information for each of the PRF sub-projects.

*Table 2-1 PRF delivery schedule and cost estimates*

| <b>Project</b>  | <b>Status as at 31<sup>st</sup> December 2023</b>           | <b>Contract Duration (Award to Completion) <sup>(1)</sup></b> | <b>Construction Cost Estimate USD <sup>(2)</sup></b> |
|---|---|---|--|
| Honiara Water Supply – Trunk Mains  | Construction period   | 18 months<br>(16 Jun '22 - 18 Dec '23)<br>Completion delayed  | 7,781,780  |
| Honiara Water Supply – Service Reservoirs (Re-bid)                            | Construction period   | 18 months<br>(3 May '22 – 4 Nov '23)<br>Completion delayed    | 7,105,695  |
| Honiara Wastewater – Ranadi Rd to Goodwood Outfall Sewer Works                | Construction Period   | 12 months<br>(Oct '22 – Oct '23)<br>Completion delayed        | 6,044,067  |
| Honiara Wastewater – National Referral Hospital (NRH) Sewer Works and Outfall | Deferred until additional funding is secured <sup>(6)</sup> | TBC   | 13,200,000   |
| Honiara Wastewater – Ranadi Sewer Works and Outfall <sup>(4 &amp; 5)</sup>    | Expected tender release Dec '24 <sup>(1 &amp; 6)</sup>      | 24 months<br>(Jun '25 – May '27)                              | 23,800,000   |
| Provincial Water Supply (PWS): Noro <sup>(3 &amp; 4)</sup>                    | Contract signed 25 <sup>th</sup> Jan '24                    | 24 months<br>(Aug '24 – Jun '26)                              | 6,000,000  |

| Project  | Status as at 31 <sup>st</sup> December 2023   | Contract Duration (Award to Completion) <sup>(1)</sup> | Construction Cost Estimate USD <sup>(2)</sup> |
|--|---|--|---|
| Provincial Water Supply (PWS): Tulagi                | Deferred pending re-design                    | TBC  | 4,400,000                                     |
| Provincial Water Supply: Gizo <sup>(3 &amp; 4)</sup> | Tender deferred pending water source redesign | 18 months (Nov '24 – Apr '26)                          | 9,400,000                                     |
| Provincial Water Supply (PWS): Munda                 | Deferred pending water source redesign.       | TBC  | 5,200,000                                     |

<sup>(1)</sup> The timing for finalised bid documents is the end of the stated month and includes no-objection from development partners. The period between finalised bid documents and contract award is assumed to be four (4) calendar months (two (2) months for bidding and two (2) months for evaluation & award).

<sup>(2)</sup> Construction cost estimates include escalation for foreseeable factors.

<sup>(3)</sup> Sub-projects are planned to be packaged as separate construction tenders, however two or more may be later combined.

<sup>(4)</sup> Honiara wastewater sub-projects and provincial water supply sub-projects bidding had been pending the EU-ADB co-financing agreement which was finalised on 28<sup>th</sup> April 2023.

<sup>(5)</sup> Excludes the cost of Honiara Wastewater – Ranadi Roundabout to Goodwood Outfall Sewer Works, and Fisheries to Telekom Sewer Works (funded by SIG).

<sup>(6)</sup> EIS has been completed and development consent application was granted by MECDM in April 2023. However further development of this subproject will remain on hold unless further additional financing is secured beyond the levels currently committed.

**PRF grant expiry** – The extended ADB grant expired on 31 December 2022. A dispute with Suez over claims for extra work was settled and final payment was made in December 2023.

#### **2.1.1.2 PRF Part 2 – Specialist Inputs**

These were completed in January 2021 with completion of the Strategic Projects Management Advisor's (Mark Waite's) contracted field inputs.



### 3 PROGRESS OF UWSSSP SPECIFIC PROJECT COMPONENTS

One-page summaries of five ongoing UWSSSP physical works contracts are shown in **Annex 1: Sub-Project Summaries**Error! Reference source not found..

#### 3.1 Component 1 – Secure and Safe Urban Water Supplies

##### 3.1.1 Honiara Water Supply Improvement

###### 3.1.1.1 Cash Water Change out and Augmentation

Trials for prepaid meters from Lesira-Teq, a South Africa-based supplier, have been substantially completed and proved fit for SW use. A 3-year bulk order purchase of 6,000 prepaid meters (approx. USD 1.0m) is planned, with initial purchase (2,000 meters) and operational roll out anticipated from Q2 of 2024 onwards. ADB has been having issues with its Integrated Disbursement System (IDS) as South Africa (the country of the successful bidder) is not in their data management system. SW shared with ADB the signed grant agreement which allows procurement of goods from non-ADB member countries.

UWSSSP is also financing the purchase of 200 User Interface Units (UIUs) for the about-to-be superseded A D Riley cash water meters. Despite the high failure rate of A D Riley meters and UIUs the procurement of additional UIUs will extend the functionality of, and hence revenue from, SW's installed customer base of AD Riley meters. The Withdrawal Application (WA) has been approved by MOFT and the payment to AD Riley is in process, after which the cargo will be shipped.

###### 3.1.2 Kongulai Water Treatment Plant & Pipeline Project

*Accepted Contract Amount: USD 15,646,656 (construction)*

*Construction Period: 14 months (60 weeks)*

This UWSSSP sub-project has three components: (i) Construction of new Kongulai Water Treatment Plant (WTP); (ii) Operation of the WTP for 12 months, with an option for a further 12 months; and, (iii) Construction of Kongulai to Tasahe Pumping Main renewal (1km). The contract was awarded to REAN-PCS Joint Venture of India in April with a Start Date of 5<sup>th</sup> May 2022 and the Intended Completion Date of 29<sup>th</sup> June 2023.

The contractor has progressed most preparatory items, including site office and sediment controls, and undertaken some site earthworks. Following an offered extension, the Contractor continued to not perform and repeatedly missed deadlines which caused delays and financial loss to the Employer.

The Project works were partially complete at 13th Dec 2023, and contractor site presence was limited to security/maintenance personnel. Scope of Works remain unamended and an external determinative forum is deliberating circumstances.

###### 3.1.3 Honiara Network Water Supply (HNWS) – Trunk Mains

*Accepted Contract Amount: USD 7,781,779.65 (construction)*

*Construction Period: 18 months*

The project has three components:-

- (i) Kongulai to White River to Rove Trunk Main;
- (ii) East Kola Service Reservoir (SR) to Naha Trunk Main; and,
- (iii) Panatina SR to Burns Creek Trunk Main.

The project was awarded to Pacific Engineering Projects Ltd (PEP) with a start date of June 16, 2022. Construction was slated for completion by December 18, 2023, but this deadline was not met.



*Figure 1 PEP Trunk Mains Storage Area, White River (Photos 24/04/24)*

As of the end of Q1 2024, PEP has only laid 3,024m of pipe (30%) out of a total of 10,064m over 18 months. The most challenging sections for construction, including at least 10 crossings of creeks and roads, interconnections with the existing network,

installation of fire hydrants and air valves, road reinstatement, and commissioning, are yet to commence.



*Figure 2 Pedestrians mingling with traffic at eroded pipe trench, Tanakake Road, Panatina section of Trunk Mains contract (Photo 18/01/24)*

PEP's currently proposed completion date is November 30, 2024. However, given its current resources and performance, this target is considered unrealistic.

MID has requested SW to revise 2,500m of water main alignments within public roads following the ADB-funded 4-lane road upgrade project from White River to IBS, awarded to China Civil Engineering Construction Company Co Ltd (CCECC). This work began in Q2 of 2023. The redesign was finalized in Q1 of 2024, with some factors partially mitigating the risk of delay claims from PEP. These factors include PEP's ability to commence work on unaffected pipe sections while SW undertakes the redesign of other pipe sections, as well as PEP's own performance issues and delays, which allowed additional time for SW to complete the redesigns.

PEP began work on the West section (from Kongulai to White River to IBS) on February 5, 2024. However, due to subcontractor unavailability, late and inadequate work method statements, and delays in addressing risk mitigations, only 170m of pipe was laid in Q1. This leaves 5,540m out of 5,710m (97%) of this section yet to be laid.

Work on the East section (East Kola and Panatina) will resume in Q2 following a stop-work order issued in Q4 2023, which took over 3 months to resolve. No pipes were laid in the west section in Q1, leaving 1,500m out of 4,354m (34.5%) remaining to be laid.



*Figure 3 Pipe trenching at Solomon Motors fuel station, White River  
(Photo 24/04/24)*

### **3.1.4 HNWS – Service Reservoirs**

Accepted Contract Amount: USD 7,105,695 (construction)

Intended Construction Period: 18 months

This sub-project has three components:

- (i) Tasahe Reservoir – 3 ML Concrete Reservoir;
- (ii) Titinge Reservoir – 3 ML Concrete Reservoir; and,
- (iii) Panatina Reservoir – 2.5 ML Concrete Reservoir.

The project was awarded to Pacific Engineering Projects Ion Exchange Joint Venture (PEP JV) with a Start Date of 3<sup>rd</sup> May 2022 and an intended completion date of 4<sup>th</sup> November 2023.

#### **Current Status of Works:**

Panatina Reservoir – Floor base slab under construction, first pour scheduled within 2 weeks. Reduced risks for concreting activities as concrete batching plants are in close proximity to the reservoir, ie, minimal travel time.

Tasahe Reservoir – Floor base slab completed, remedial works currently being carried out on one section of base slab where a “Cold Pour Joint” occurred. First 1.2m lift of wall formworks mostly installed.

Titinge Reservoir – Floor base slab successfully completed with wall formwork now being erected.



*Figure 4 Titinge Tank Floor Slab Concrete Pour (Photo 24/03/24)*

#### General Issues – Reservoirs Sub-Project:

Construction methodologies have not been well thought through with regards to “Emergency Stop” procedure in case of a Cold Pour Joint for floor slab and walls. SW staff are working with the contractor and structural engineers to arrive at practical on ground solutions.

The contractor has forecast a completion date of December 2024 but SW forecasts a completion date for the project of May/June next year. Once the second lift of the five wall lifts is completed a more confident forecast of completion date should be available.

EOT claims have been lodged with a detailed EOT Claims report supported by Critical Path Analysis, the contractor is claiming 320 days. SW is reviewing the claims and making determinations on each one. The bulk of these claims are likely to have determinations made by SW in the next three months. SW and the contractor are currently in the process of engaging an Adjudicator that will satisfy the requirements of both parties. There are currently no significant variations approved or pending assessment.

Up to and including Interim Payment Certificate (IPC) No. 012 Total Value Certified to date is USD 2,156,401, Retention of USD215,640 has been withheld from this value. Total Paid to Date is USD 2,193,094 (USD1,482,524 + USD 710,570 Advance Payment) this includes the value of USD 43,004 for IPC No. 12, the payment of which is yet to be made.



*Figure 5 Shoring Work at Panatina Tank Site (Photo 29/01/24)*

### **3.1.5 Provincial Water Supplies**

#### **3.1.5.1 Tulagi Water Supply Upgrade**

*Accepted Contract Amount: USD 4.4m (Construction)*

*Estimated Construction Period: 24 months*

Design was substantially completed by SUEZ in 2022. However the project is relatively costly for the number of beneficiaries served. SW proposes to scale back the scheme with design scope reduced to ~USD 2.8m. Further development is on hold.

#### **3.1.5.2 Noro Water Supply Rehabilitation and Upgrade**

*Contract Estimate: USD 4,719,071*

*Estimated Construction Period: 24 months*

A Letter of Acceptance was issued to the successful bidder (CCB Envico Pty Ltd of West Melbourne, VIC, Australia) on 25th January 2024 and the contract commenced on 22<sup>nd</sup> February 2024. There is an ongoing discussion with land claimants which will defer commencement of works until at least July 2024 however the claimants apparently support the project and the claim relates only to whom lease payments for SW's three existing operational sites should be paid.

### **3.1.5.3 Munda Water Supply Establishment**

*Contract Estimate USD 5.2m (Construction)*

*Estimated Construction Period: 24 months*

SUEZ completed the majority of the design work in 2022 but was unable to complete the hydrogeological testing required to complete the design. Solomon Water has commissioned SMEC to undertake the testing and incorporate the findings into a finalised design. This is expected to be complete in Q3 2024. Finalised bidding documents will be issued for ADB's No Objection and bids will be called once funding is confirmed.

### **3.1.5.4 Gizo Water Supply Establishment**

*Contract Estimate USD 9.3m (Construction)*

*Estimated Construction Period: 24 months*

Gizo WS design was dependent on hydrogeological investigations that were completed just prior to the expiry of the SUEZ' contract on 31st December 2022. Further investigations and design are required for the water source and then updates will be required to the designs and bidding documents. This project is likely to be funded by the Government of Australia's Department of Foreign Affairs and Trade (DFAT), although funding arrangements are yet to be confirmed. This is a priority project and bidding documents will be completed as soon as the design issues are resolved. SMEC has been engaged to review the water source options and likely carry out a drilling and pump testing campaign.

### **3.1.6 Honiara Hydraulic Network Model Update and Calibration**

This sub-project was successfully completed with the approval of the final report (Hydraulic Performance Assessment Report) on 4 March 2022 with no further UWSSSP-financed work on the model since that date.

## **3.2 Component 2 – Effective, Efficient and Safe Urban Sanitation Services**

### **3.2.1 Honiara Wastewater (HNWW) Trunk Sewers & Pump Station, Outfalls & Outfall Pump Stations**

Since the EU-ADB co-financing agreement was substantially delayed (but became effective on 28/04/23) this also delayed SW's bidding for 3.2.1.2 (1) and (2) (below). The shortfall of UWSSSP funds will impact on what can ultimately be built within the overall UWSSSP budget. Unless additional, but currently unforeseen, funding becomes available it appears that the sewerage scheme for west Honiara (incl. NRH outfall) will be deleted from the UWSSSP program.

#### **3.2.1.1 Ranadi Rd to Goodwood Outfall Sewer Works**

*Contract Estimate: NZD 5.45m and SBD 22.0m (Total equivalent to USD~6.04m)*

*Estimated Construction Period: 10 months*

This project was separated from the greater Ranadi sewer project with the intention to allow for servicing of the Pacific Games facilities, and will interface with the proposed Ranadi sewer outfall at a manhole at Goodwood Timbers.

The Letter of Acceptance was sent to the preferred bidder, Pacific Engineering Projects (PEP), on 4<sup>th</sup> October 2022, and the contract start date was 21<sup>st</sup> December 2022. Offshore materials and equipment procurement is now 100% complete and some 500m of sewer main has been installed between Ela Motors and the sea front including the East and West lateral connections.

Works were suspended on site between 17<sup>th</sup> October and 3<sup>rd</sup> December 2023, following MID's directive to open up all road access around the National Stadium during the Pacific Games 2023. Subsequently community and stakeholder consultations and awareness were carried out on 18<sup>th</sup> January and 13<sup>th</sup> February 2024.



*Figure 7: Consultation with Telekom Staff for the East connection works*

Poor performance by the contractor PEP compounded by land owner issues near the sea outfall and issues with surveyed levels, prevented this sub-project being commissioned in time to serve the Pacific Games in November 2023. However the adverse consequences of non-completion were mitigated through SW's contingency plan of implementing an alternative temporary pumped main through KGV School to the existing KGV pump station, at a cost to SIG of SBD 1.0m.

A scope reduction proposal to remove the temporary Goodwood pump station and outfall from the project's scope is being currently reviewed. This scope reduction is necessary since the pump station and outfall will be abandoned when the Eastern Sewer network for the Ranadi outfall is implemented in the coming years.

### **3.2.1.2 (1) NRH Sewer Works and Outfall (2) Ranadi Sewer Works and Outfall**

Contract Estimate (Construction) (1) USD 13.2m (2) USD 23.8m

Estimated Construction Period: 24 months for each.

The development consent was issued by MECDM on 3rd May 2023. Scoping, timing of bidding and construction commencement will be impacted by the current re-prioritisation of UWSSSP sub-projects to meet funding constraints and the availability of Additional Financing.

### **3.3 Component 3 – Enhanced Awareness of Hygiene and Water Issues and Sustained Improved Hygiene Behaviour**

#### **3.3.1 Hygiene Awareness and Education**

The WASH Program includes three UWSSSP packages, one DFAT funded project, and one awareness campaign:

- Package 1 - WASH Baseline Monitoring & Evaluation (M&E) Survey – approximately 1,000 households.
- Package 2 – Hygiene Promotion Project – including sanitation, approximately 8,500 people in six selected settlements.
- Package 3 – WASH in Schools – Capacity building and infrastructure in selected schools. Tender released and bids closed 17<sup>th</sup> April 2024.
- DFAT funded Water Supply and Sanitation for Vulnerable Communities.
- National Media Campaign – Hygiene Promotion – Core Business.

#### **Package 1 – WASH Baseline Survey**

The WASH Baseline was completed in Q3 2021, and the survey report has been reviewed and approved by SW and shared with relevant interested WASH stakeholders and development partners. Findings from the survey were used to design **Package 2 – Hygiene Promotion**, and to form a baseline from which to evaluate the WASH program close to its completion.

#### **Package 2 – Hygiene Promotion**

The second phase of the Hygiene Promotion project has been agreed with Plan/Live & Learn (signed April 2023) and is being funded through, and managed by, the ADB Regional WASH TA.

The package includes hygiene promotion and sanitation activities. For this reporting period the team have implemented the following:

#### **Key Hygiene Activities implemented during this Q1 period include:**

- Hand Washing Campaign with Water & Soap
  - Dreamcast video produced and aired
  - "Champions Always Wash Hands" Solomon Islands campaign (youtube.com)
  - Hand Washing radio play
- Community Events
  - Handwashing
  - WASH operations and maintenance
  - WWD & Sanitation (22<sup>nd</sup> March)
- Social Media campaign

**Key sanitation activities implemented during this period include:**

- Support sanitation fabricators
  - Construction of storage and production facilities x 2
  - Product development to align with Sanitation Manual
  - Promotion of products and connecting to market
- Product development to align with Sanitation Manual
- Support plumbers with marketing of services and technical support
- Sanitation campaign development and implementation 'wakem gudfala tolet'
- Sludge density sampling with MHMS laboratory to inform cesspit and septic tank sizing
- Sanitation promotion competition in the 6 project sites
  - Promotion of household sanitation and hygiene improvements
  - Targeting 6 communities
  - Prizes to engage communities
- Ongoing sanitation promotions through:
  - posters
  - radio messaging
  - social media post
  - plumbers promotion
  - sanitation radio play



*Figure 8 Wash stands and tank in Gizo supplied by renovated Leoko pipeline (Photos Jan 2024)*

### **Package 3 – WASH in Schools (WinS)**

During this reporting quarter the WinS project had been tendered out on the ADB CMS for interested companies/firms to submit their EOI and 14 applicants submitted their EOIs.

The 14 companies have been evaluated by the evaluation panel and 4 have met the criteria and scored above 50%.

The four selected companies were invited to submit their full Technical and Financial proposal by the closing date, 17<sup>th</sup> April 2024. Evaluations are being conducted and final selection will be made and the contract will be awarded to the successful company. The project will begin in May/Jun 2024 with 11 selected schools in the Honiara urban area.

#### **3.3.2 ‘Water Supply and Sanitation for Vulnerable Communities’ Project (funded by Australian Department of Foreign Affairs and Trade - DFAT)**

The Provincial WASH project was completed in the 4 provincial centres of Gizo, Noro, Tulagi and Auki and in Honiara. The final Report was completed and submitted to DFAT for review and approval.

#### **3.3.3 National Media Campaign-Hygiene Promotion - Core Business**

The Hygiene Promotion campaign in partnership with the National Health Promotion & Environmental Health Division, HCC with various church women’s groups in Honiara under the Regional WASH TA will be ongoing with the Catholic, SDA, AOG women’s groups etc.

Likewise, the work on developing campaign materials by Dreamcast is progressing after a long delay due to other commitments they had. The campaign materials focus on hand washing with water and soap and sanitation through posters, radio messaging, social media posts and the sanitation radio play. These materials have been developed and are under progress review by the team.

The Z card is under re-design to a tri-fold that can be reprinted by local suppliers as SW is out of stock after distributing cards to customers in the 3 provincial towns and in Honiara.

### **3.4 Component 4 – SW is financially and Technically Sustainable**

#### **3.4.1 Financial Management System Replacement**

SW’s new Pronto financial reporting system went live on 1<sup>st</sup> May 2023. The Accounting Module is now fully operational and reporting functionality was enhanced with minor improvements and report customisations undertaken during the quarter.

#### **3.4.2 Data Management Including SCADA**

The objectives of SW’s SCADA project are to help reduce non-revenue water, maximise efficiency of motors to reduce power costs, provide real time monitoring of critical services, verify water safety in real time, provide a fully integrated system to

present production, network and energy information and training that allows SW to take full ownership of the existing and proposed system.

Following reductions in scope due to cost escalation and limited budget the project was re-packaged, and updated bidding documents were issued for No Objection in Q2 2023. However it was subsequently put on hold and is not currently planned for further development unless additional funds can be secured.

### **3.4.3 Tariff**

High electricity costs contributed to SW posting an operating cash deficit for 2022. A 'special tariff' application to SIG was prepared by ADB-funded Wedgewood White Ltd in May 2023. This tariff application was aimed at primarily covering the high electricity cost caused by fuel price increases not factored into the current water tariffs. SW received approval from Government to increase tariffs by 4.5%, 9.5% and 7.0% of which 4.5% was already implemented in September 2023, 9.5% in January 2024 and 7.0% to be applied in January 2025. Electricity remains a significant operating cost to SW due to high fuel prices that is consistent with global trends.

#### **3.4.3.1 Tranche 2 Design**

The contract for the Detailed Engineering Design Phase 2 was executed on 2<sup>nd</sup> August 2021 with SMEC International Pty Ltd. The contract period is 27 months after extensions of time that extended the completion date to October 2023 although further extensions will be necessary into 2024 after proposed variations are implemented for additional tasks.

SMEC's original services (and their current status) are:

- Asset management planning (Complete);
- SW five-year action plan update (Final Draft);
- Water pipeline replacement in Honiara (Final Draft, additional potholing and test pits planned Q3 2024);
- Water network expansion in Honiara, and Auki water supply expansion feasibility study (Final Draft);
- Wastewater collection system rehabilitation in Honiara (Substantially Complete); and
- Choiseul town water supply and wastewater feasibility study (Complete).

#### **3.4.3.2 Faecal Sludge Management (FSM) Specialist**

As the FSM Specialist's consultancy assignment came to an end in 2022 and no further work is currently planned. Consultation is expected with the team undertaking the ADB-funded Honiara solid waste study regarding possible incorporation of FSM in the planned modifications, closure and remediation of the existing Burns Creek rubbish tip. Consultant COWI undertaking detailed design for FSM facility under the solid waste project, with expectation that it will be incorporated into the bidding documents for UWSSSP's eastern sewerage sub project.

### **3.5 Component 5 Watershed Protection (GEF financed)<sup>1</sup>**

Work during Q4 focused on the following inputs for the three project sub-outputs.

#### **3.5.1.1 Output 1: Strengthen Capacity for Planning and Informed Decision Making**

##### **Activity 5.1.1 Formulate mapping and modelling strategy and collect remote sensing data**

During the quarter the Fluvio team visited the raw water monitoring sites and switched communications over from satellite to local mobile telephone networks. They also retired old UQ cloud portal and developed a new portal available to SW Operations for real time source monitoring. Two new monitoring sites were established on the Lungga River to start building a database for future development of this source. Further work is planned in coming months to replace hardware and finalise real time alerting for SW operational purposes.

##### **Activity 5.1.2 Collect hydrological data and conduct site visits**

The earlier installed hydrological monitoring sites were visited regularly by the SW National Catchment Management Officer (CMO) for data collection and maintenance. Data from all functioning sites continued to be collected by satellite telemetry. Data collection from Chubina sinkhole ceased when the data logging equipment was damaged by a landslide in June 2023.

##### **Activity 5.1.3 Develop watershed (physical) model**

No work on this activity was carried out during the reporting period and it has been dropped from the program.

##### **Activity 5.1.4 Create data, mapping and modelling platform**

A new cloud based data dashboard was established by Fluvio and is providing live near-real time access to the hydrological and water quality monitoring data from Lungga River, Kongulai source, and Kombito. The near real-time availability of rainfall, stream flow and turbidity data from the latter two sites has proved invaluable to SW's Operations team managing these critical water sources.

#### **3.5.1.2 Output 2: Watershed Governance Improved**

##### **Activity 5.2.1 Stakeholder engagement and problem analysis and Activity 5.2.2 Catchment governance and coordination**

Scope under review and not progressed this quarter.

##### **Activity 5.2.3 Facilitate catchment management planning.**

This activity was dependent on input by UWSSSP's International Catchment Expert, whose inputs were terminated in June 2023. Options for completing this task by other means are under review.

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<sup>1</sup> Component (Output) 5 Watershed Protection is entirely funded through the GEF Grant.

## **Erosion Protection - Ground stabilisation to Solomon Water Catchments and Assets**

During Q1 SW trial planting of vetiver grass continued to complement other ground stabilisation measures at areas at risk of erosion.

**Planting materials: Coir fibre and coconut peat** - Locally owned company Coconut Bio Energy has been engaged since 2022 to produced coconut fibre and peat for the nursery development of vetiver slips. Hence a quantity of 800 kg (500kg of coconut fibre and 300kg of coconut peat) was purchased from Coconut Bio Energy and delivered in late 2023 to the Solo Enviro Beautification nursery for the next batch of vetiver slips for SW.

### **1. Proposed Sites for Vetiver Grass**

Further vetiver grass planting for erosion protection is planned at the following sites

- **Titinge Storage Tank** (Honiara) - the site was assessed and approximately 30,000 vetiver slips required have been ordered from Solo Enviro Beautification to cover cut slopes around the new tank.
- **Panatina Boreholes** - the site was assessed and approximately 4,000 vetiver slips required have been ordered from Solo Enviro beautification to covered eroded areas within and outside the fence.
- **Kwaibala Water Source** (Auki) - to be assessed
- **Kombito Water Source** (Honiara) – to be assessed

## **Establishment of a Catchment Fund**

Scope under review, not progressed in this quarter.

### **3.5.2 Output 3: Community Livelihood and Forest Carbon Payment for Eco Services (PES) Activities Supported**

#### **3.5.2.1 Nakau Programme Activities: January to March 2024**

During Q1 Nakau has completed the project concept design for the development and implementation of PES activities within the Community Based Watershed PES project. On February 23<sup>rd</sup> 2024 the project team presented and discussed the project concept as well as the workplan in an internal technical meeting. The report describing the PES project concept was submitted in March. Upon approval from SW, Nakau will continue the community consultations and enabling environment activities as proposed in the workplan.

### **3.6 Q1 Main findings**

Considering the findings and recommendations from the PES location studies (Q4, 2023) Nakau has prepared a project concept (summarised below) for the development and implementation of a Community-Based Watershed PES (CBW PES) program in Kovi, Kohove and Kongulai:

- SW PES project name: The payment for ecosystem services (PES) activities proposed to be developed under the Urban Water Supply and Sanitation Sector Project (UWSSSP) constitute the development and implementation of a program, tentatively called the 'Solomon Water (SW) Community-based Watershed PES Program (CBW PES)'.

- **SW CBW-PES program objective:** The program aims to protect water catchments that are vital to Honiara's climate resilience and water supply, while engaging landowners in sustainable income generation activities through a results-based payment for ecosystem services mechanism.
- **SW CBW-PES program scope area:** The scope area targets three water catchments – Kohove, Kongulai and Kovi – and proposes a land use zoning of 2,738 hectares for the water catchment management, corresponding to a Restricted Use Zone of 1,125.1 ha and a Sustainable Use Zone of 1,612.9 ha.
- **SW CBW-PES program strategies and activities:** Within the Restricted Use Zone, the program will implement two strategies for forest conservation and restoration, while the surrounding area – the Sustainable Use Zone – will support one strategy that focuses on sustainable land use and livelihood activities. It is proposed that these strategies will involve the following activities:

**PES Strategy 1: Forest Conservation:**

- Activity 1.1: Forest Protection PES activities

**PES Strategy 2: Forest Restoration:**

- Activity 2.1: Natural Regeneration PES activities
- Activity 2.2: Assisted Regeneration PES activities

**PES Strategy 3: Sustainable Land Use and Livelihood:**

- Activity 3.1: Reforestation and forest nursery livelihood activities
- Activity 3.2: Ecotourism livelihood activity
- Activity 3.3: Horticulture and other sustainable production livelihood activities
- **SW CBW-PES program establishment:** The program will be established through a three-phase process: development and preparation, implementation and adaptation. The development phase aims to establish the basis and fundamentals of the PES Program through a participatory process involving the beneficiaries and stakeholders. This phase is essential to build trust between parties, build ownership and engage the community organization(s) that will oversee managing and operationalizing key tasks within the CBW PES activities.
- **SW CBW-PES program beneficiaries:** The program will engage beneficiaries from two tribes: the 'big line' (Haubata) and the 'small line' (Kakau), which are acknowledged to be the customary landowners of Kohove, Kongulai and Kovi water catchments. The tribal members reside across different villages in Tandai Ward, but are more concentrated at the communities: Kongulai, Vatukola, Kolotoha and Tamalupo.
- **SW CBW-PES program risks:** To address the risks inherent in the challenging social context in Kongulai and Kovi the development phase will engage a third-party mediator to facilitate stakeholder meetings and dialogue within and between landowners and Solomon Water. Additionally, community awareness and information sessions will clarify how customary land recording may facilitate tribal decision-making processes on land use management while protecting culture, tradition, and customary rights. Upon landowners' request, the Ministry of Lands, Housing and Survey (MLHS) may implement a land recording process with support from SW (under the UWSSSP grant 0801 SOL provisional fund).

- SW CBW-PES program result-based mechanism: It is recommended that SW invest approximately SBD\$ 750,000/year (US\$ 88,500/year<sup>2</sup>) in the community-benefits under the CBW PES Program. This value corresponds to the estimated opportunity costs that landowners would incur if they were to forego forest harvesting and milling activities in the catchments.

SW CBW-PES program estimated budget: Additional to the investments in the result-based mechanism the SW CBW-PES Program implementation will incur in further operational and management costs to be meet by SW.

### **General Project Management**

In Q1, the frequency of PES project meetings was adjusted based on the annual leave calendar of team members. The project management activities focused on submitting deliverables as described in the work plan and plan the activities for Q2 of 2024.

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<sup>2</sup> Conversion rate of 0.1180 on 13/03/2024, Source: Central Bank of Solomon Islands.

## 4 SAFEGUARDS

### 4.1 Environmental Safeguards

Implementation of environmental and social safeguards for UWSSSP projects continues to comply with both the country safeguards system and ADB/WB policies and instruments.

#### 4.1.1 Safeguard Documents

During Q1 2024, there has been ongoing review and updating of PERs required for the UWSSSP projects. The key matters arising during this reporting period were:

- All PERs required for UWSSSP Phase 1 have been completed and approved. The only outstanding PER is for Gizo water supply which is delayed awaiting approval for more hydrogeological investigations at Mile 6 lake and other surface water sources.
- UWSSSP Phase 2 PERs, Honiara Water Pipeline Rehabilitation and Honiara Water Pipeline Expansion PERs, have been reviewed. SW submitted a list of comments and recommendations to SMEC to revise and improve the quality of the PERs. The PERs are expected to be finalized in Q3 2024.
- Auki Water Network Expansion subproject proposal application has been received in this reporting period. Review by SW is ongoing and was strongly recommended to SMEC to complete an IEE. The IEE is expected to be finalized in Q2 2024.

**Table 4.1** (below) summarises the approval status of the various IEE/PER documents and development consent applications completed to date.

**Table 4-1: Status of IEE/PERs for UWSSSP Sub-projects as of 31<sup>st</sup> March 2024**

| Subproject |   | ENV Category | IEE/PER Prepared  | Development consent application                              | CESMP Approved by SW          | Status of subproject implementation   |
|------------|---|--------------|---|--|-------------------------------|---|
| 1          | Kongulai WTP  | B            | Yes   | Yes (12/03/20)<br>Development consent received 01/05/20.     | Yes (cleared on 11/7/23)      | Site clearance completed.<br>Earthworks halted due to contract termination by SW. |
| 2          | Honiara Water Supply Service Reservoir (Panatina, Tasahe, and Titinge reservoirs) | B            | Yes   | Yes (21/01/21).<br>Development consent received on 17/03/21. | Yes (cleared on 24/04/23)     | Construction of new reservoir Tasahe, Panatina and Titinge is underway.           |
| 3          | Honiara Water Supply-Trunk Mains  | B            | Yes   | Yes (21/01/21).<br>Development consent received on 17/03/21. | Yes (cleared on 25/5/23)      | Construction works underway. Works commenced at Whiteriver to Townground section. |
| 4          | Auki Water Supply Improvement   | B            | Yes   | Yes (10/08/18).<br>Development consent received on 24/09/18. | Yes (25/06/2019)              | Subproject completed and now in operational phase.                                |
| 5          | Tulagi Water Supply Project   | B            | Yes   | Yes (25/01/21).<br>Development consent received on 7/03/21.  | Not yet due (no construction) | Preconstruction phase.  |
| 6          | Gizo Water Supply   | B            | Draft completed (awaiting additional hydrogeological investigations). | No   | Not yet due (no construction) | Awaiting additional hydrogeological studies.                                      |

| Subproject |  | ENV Category | IEE/PER Prepared                                   | Development consent application                                    | CESMP Approved by SW          | Status of subproject implementation |
|------------|--|--------------|--|--|-------------------------------|-------------------------------------|
| 7          | Noro Water Supply Improvement                                  | B            | Yes  | Yes (6/12/22) Development consent received on 29/03/23.            | Not yet due (no construction) | Preconstruction phase.              |
| 8          | Munda Water Supply   | B            | Yes  | Yes ( 6/12/22) Development consent received on 10/04/23.           | Not yet due (no construction) | Preconstruction phase               |
| 9          | Honiara Network Wastewater-Outfalls                            | B            | Yes  | Yes(03/02/23) Development consent application received on 3/05/23. | Not yet due (no construction) | Preconstruction phase               |
| 10         | Honiara Network Wastewater- (Pump station and collector mains) | B            | Yes  | Yes(03/02/23) Development consent application received on 3/05/23. | Not yet due (no construction) | Preconstruction phase               |
| 11         | Honiara Wastewater: Goodwood Section                           |              | Subproject exempted by MECDM. No IEE/PER required. | Subproject exempted by MECDM. Exemption received on 7/06/22.       | Yes                           | Construction works underway         |

#### **4.1.2 Environmental Monitoring**

There were weekly site visits to Panatina, Titinge and Tasahe reservoir sites, White River trunk mains site, and the Ranadi-Goodwood sewer and outfall construction site during this reporting period. Key issues observed on site were:

- Poor implementation of traffic management plan. No traffic signage's installed when undertaking works along roadside;
- Absence of safety barricades and signage's;
- Poor management of general wastes and construction wastes. Waste segregation not practiced effectively.
- Non-compliance with PPE requirements. Workers undertaking night works without hi-vis PPEs, and;
- Inadequate lighting provided when undertaking night works.

Identified issues were communicated to the contractor via site inspection reports and instructions. More environmental audits and inspections will be undertaken in Q2 2024.

Two environmental audit inspections was carried out by SW's National Environmental Officer in Q1 of 2024 for the Ranadi Road to Goodwood Outfall project. A number of issues on submissions of JSEA and risks associated with working night shifts were identified and the contractor has since rectified and addressed the issues raised.

Also, a joint site inspection with WB/ABD safeguard specialists was conducted on 8<sup>th</sup> February 2024. The site inspection report which include CARs was issued to the contractor for rectification of identified issues.

#### **4.1.3 Workers' Health and Safety**

There were several health and safety issues recorded in the site visits undertaken in this reporting period. The key H&S issues observed were:

- Workers not complying with PPE requirements. Workers not wearing gloves;
- Lack of documentation of JSA. Some JSA were not updated and signed by all workers on site;

The issues were communicated to contractors. The importance of complying with the requirements in the approved CESMPs was highlighted to the contractor when doing the weekly site visits and follow-ups.

#### **4.1.4 Consultation with SMEC Management and Environmental Team**

The following subprojects are financed under the UWSSSP (Phase 2):

- Auki Water Network Expansion;
- Honiara Water Pipeline Rehabilitation, and
- Honiara Water Network Expansion.

Review and updating of the IEEs is ongoing by SMEC in this reporting period. The draft proposal application for Auki Water Network Expansion was completed. Review of the PA by SW is underway and SW strongly recommended that an IEE be completed. The IEE/PER's are expected to be completed in Q2 2024.

The following Phase 2 projects required development consents from MECDM (see **Table 4-2**).

*Table 4-2 Status of IEE/PERs for UWSSSP Sub-projects delivered by SMEC as of 1<sup>st</sup> March 2024*

| Sub-Project |  | ENV Category | IEE/PER Prepared                           | Development consent application | CESMP cleared | Status of subproject implementation |
|-------------|--|--------------|--|---------------------------------|---------------|-------------------------------------|
| No          | Name                                       |              |  |                                 |               |                                     |
| 1           | Auki Water Network Expansion               | B            | No   | No                              | No            | Approval phase                      |
| 2           | Honiara Water Pipeline Rehabilitation      | B            | Yes, draft completed and undergoing review | No                              | No            | Approval phase                      |
| 3           | Honiara Water Network Expansion            | B            | Yes, draft completed and undergoing review | No                              | No            | Approval phase                      |
| 4           | Honiara Wastewater Pipeline Rehabilitation | B            | No   | No                              | No            | Approval phase                      |

## 4.2 Social Safeguards

The social safeguards team has continued to provide oversight on the implementation of four CESMPs of subprojects that are being constructed simultaneously in Honiara as well as undertaking ongoing negotiations with land owners to complete the LARPs for subprojects that are still undergoing final detailed designs. Part of the work also includes the ongoing monitoring of LARPs that have been fully implemented. The only subproject which has been completed and is now in operation in the Auki Water Supply Improvement project. The oversight work on the CESMPs is performed through conducting visits to construction sites, reviewing contractor's monthly monitoring reports, supporting contractors in their consultation requirements and assisting in resolution of grievances.

### 4.2.1 Land Acquisition & Resettlement Plans (LARPs)

The Project LARPs for both phase 1 and phase 2 including the summary of their status is presented in **Table 4-2**. Under Phase 1 of UWSSSP, 13 LARPs are required. Six LARPs have been completed and received No Objection (NO) from ADB/WB, while five of them are still being worked on. For the second phase of the project, it is likely that due diligence reports will be required for the water and wastewater pipeline rehabilitation projects, since construction works will be within existing easements. The water supply expansion projects, on the other hand, are likely to trigger the Involuntary Resettlement Policy of ADB, as new land may need to be acquired if trunk mains are installed within private land, and/or if works will cause economic displacement. These determinations will be made after the detailed designs are completed showing the pipeline alignment.

**Table 4-2 Status of LARPs for UWSSSP Sub-projects**

| Sub-Project                         |  | IR Category | LARP/DDR prepared | LARP/DDR cleared/<br>Status of subproject implementation   |
|-------------------------------------|--|-------------|-------------------|--|
| No                                  | Name   |             |                   |  |
| <b>UWSSSP (Phase 1) Subprojects</b> |  |             |                   |  |
| 1                                   | Kongulai WTP   | B           | Yes               | Yes (9/04/ 2021)<br>No construction work due to contract termination.  |
| 2                                   | Honiara Water Supply Service Reservoirs (Panatina, Tasahe, and Titinge reservoirs) | B           | Yes               | Yes (31/12/21)<br>Construction of new reservoirs at Tasahe, Titinge and Panatina is underway.  |
| 3                                   | Honiara Water Supply-Trunk Mains   | B           | Yes               | Yes (31/12/21)<br>Construction works underway at Kongulai to White River section, White River to Townground section, and KGVl to Burns Creek section.                    |
| 4                                   | Auki Water Supply Improvement  | B           | Yes               | Yes<br>Subproject completed and now operational  |
| 5                                   | Tulagi Water Supply Project  | B           | Yes               | Yes (1/10/2021).   |
| 6                                   | Gizo Water Supply  | B           | Yes               | No (Pending negotiation and signing of MOU with Land Title Holders and awaiting advice from the subproject management team if and when reinvestigation work is required) |
| 7                                   | Noro Water Supply Improvement  | B           | Yes               | No (Pending the identification of actual landowners through the acquisition process currently underway conducted by the MOL)   |
| 8                                   | Munda Water Supply   | B           | Yes               | No (Pending investigation works by technical group and signing of MOU with land title holders. The proposed tank site is customary owned and therefore needing MOL to    |

| Sub-Project   |   | IR Category | LARP/DDR prepared | LARP/DDR cleared/<br>Status of subproject implementation   |
|---|---|-------------|-------------------|--|
|   |   |             |                   | initiate the land acquisition process).  |
| 9   | Honiara Network Wastewater-Outfalls                           |             |                   |  |
| 10  | Honiara Network Wastewater-(Pump station and collector mains) |             |                   |  |
| 11  | Honiara Wastewater: Eastern Section                           | B           | Yes               | No (Pending negotiation and signing of MOU with 3 land title holders)  |
| 12  | Honiara Wastewater: Goodwood Section <sup>3</sup>             | B           | Yes               | Yes (6/09/2022)<br>Construction works underway   |
| 13  | Honiara Wastewater: Western Section                           | B           | Yes               | No (Pending negotiation and signing of MOU with 4 land title holders). One of the title holder SSEC signed the MOU with SW on ?? |
| <b>UWSSSP (Phase 2) Subprojects delivered by SMEC</b> |   |             |                   |  |
| 14  | Auki Water Network Expansion                                  | B           | No                | No (Not yet developed)   |
| 15  | Honiara Water Pipeline Rehabilitation                         | B           | No                | No (Not yet developed)   |
| 17  | Honiara Wastewater Pipeline Rehabilitation                    | B           | No                | No (Not yet developed)   |
| 16  | Honiara Water Network Expansion                               | B           | No                | No (Not yet developed)   |

<sup>3</sup> The Goodwood section has a separate LARP developed specifically ahead of the rest of the eastern wastewater system due to the urgency to construct that section in time for the South Pacific Games in 2023, a target that was ultimately not achieved. The works are still going on.

## 4.2.2 Status of Implementation of LARPs

### (a) Honiara Water Supply Project (HNWS)

The three LARPs for the Honiara Water Supply Project (Phase 1) have been approved by ADB/WB and construction works are currently underway. All land required for the HNWS (Phase 1) subprojects, both government and privately owned, has been acquired. The implementation of the relevant LARPs has been completed except for two outstanding resettlement payments to the following AP for the HNWS Trunk Main LARP.

**HNWS Trunk Mains LARP**. The two resettlement payments for APs yet to be completed for the HNWS Trunk Mains LARP as follows;

- **SDA Church**: There is one outstanding payment for SDA Church to complete the total payment for the easement access (area of 84.4 m<sup>2</sup>). Eighty percent (SBD 81,024) of the payment has been paid with the remaining 20% to be paid after the survey and easement instruments have been executed which are still progressing. This is for water supply trunk main East Kolaridge to Kukum section. Works on this section have commenced. The survey is yet to be carried out.
- **Mr K** During the development of the HNWS Trunk Mains LARP, the alignment of the pipeline within Mr K's land at White River area, had not been finalised. At that time an agreement was made with Mr K in December 2020 that after construction of the new pipeline, a survey for the subdivision for easement of approximately 2.5 m from the pipe centreline within his land will be performed and associated payments made to him immediately after. The cost will be calculated based on the rates used in the Sales Agreement in January 2020 which was \$217.00 per SQM. The survey for the subdivision for easement is yet to be carried out.
- **Kongulai WTP**: The Kongulai WTP LARP has been fully implemented.  
Works started on site including the setting up of a site office, workers' rest bays and sanitation facilities. Excavation works also commenced after a stop work notice was lifted by SW following the implementation of sedimentation control works on site by the contractor. Work on site ceased on 13<sup>th</sup> December 2023 following SW's termination of the WTP contract and pending legal action to resolve the matter.
- **Community Advisory Committee (CAC)**: The first CAC was established on 1 February 2023, for Tasahe-Kongulai-White River area. No other CACs have yet been formed, but Titinge should be next. No CAC established during this reporting period.

**HNWS Reservoirs**: The LARP for HNWS reservoirs (Panatina, Titinge and Tasahe Reservoirs) has been fully implemented. There are no resettlement issues relating to the LARP experienced during the reporting period.

### 4.2.2.1 Honiara Wastewater Project (HNWW) LARP

The Honiara wastewater subproject is separated into 2 sections. The Eastern Section which is defined by the proposed network starting at Point Cruz and ending at NRH (also referred to as the NRH section) and the Western Section which runs from the Bahai Area up to Ranadi. The LARPs for the two sections were drafted by Suez and reviewed by SW, while the detailed designs were being finalised in 2022.

Negotiations with land title holders for easement access and land acquisition continued during the reporting period. No MOU was signed during this quarter. The SW PMU safeguards team have been working to properly complete the two LARPs, furnishing them with the relevant signed MOUs with the respective land title holders/APs as identified in those LARPs.

The status of negotiations with land title holders is summarised in **Table 4-3**. To achieve consistencies across the LARPs, all negotiations and agreements have been or will be, captured in MOUs between SW and the respective APs or land title holders.

In the Eastern wastewater system, the Ranadi to Goodwood Outfall section has a separate LARP developed specifically ahead of the rest of the eastern wastewater system, due to the urgency to construct that section in time for the Pacific Games in November 2023. The Goodwood LARP received an all clear from the development partners on 6<sup>th</sup> September 2022. However, Pacific Engineering Project Limited (PEP) who was awarded the contract to construct this section of the infrastructure was so late starting, the system was not finished in time for the Pacific Games. Works are still continuing.

#### **HNWW Western:**

In the LARP for HNWW Western section, there are no concerns in relation to acquiring land for easement access or sublease arrangements. The status of negotiations with the respective land title owners are presented **Table 4-3**.

**Solomon Islands Ports Authority (SIPA):** SW will require pipelines and a PS to be installed within the land owned by SIPA. SW engaged the services of a valuer to value all the lands required by SW for pipe installation and the PS within SIPA land. SW has put together a draft MOU with offers inserted based on the valuation but has yet to receive a response from SIPA.

**United Church of Solomon Islands (UCSI):** A draft MoU containing an offer for easement payment based on the value that UCSI requested, has been submitted to UCSI who say that they are satisfied with the content of the MOU. The MoU is now expected to be signed in Q2 2024.

**Seafront Trustees:** SW has approved an increased offer as requested by the seafront trustees for the outfall sections (both eastern and western). However, the legality of ownership of the seafront is currently still being contested in court by the Commissioner of Land (COL). Therefore, SW is awaiting the determination of the court before proceeding further. There has been no feedback from COL in this quarter.

#### **HNWW Eastern:**

There are two main concerns for the HNWW Eastern LARP:

**KCM Limited:** Although the owner of the proposed site for the Naha wastewater pumping station located along the Kukum Highway, did not object to SW constructing the pump station within his land (320m<sup>2</sup>), he did not agree to any of the numerous offers that SW has proposed. SW therefore asked MOL for resumption of the land and is awaiting progress from the MOL.

**Tropical Helicopters (TH):** According to the designs done by Suez, the best option for the proposed siting of the Ranadi PS is within the road reserve in front of the Silent World Compound with an overflow pipe (for emergency purposes only) designed to go through the western boundary fence of the compound owned by Tropical Helicopter Company. Despite constant follow-up TH has remained unresponsive to all communications. SW therefore decided to liaise with Douglas Logistics (DL), who shared the same boundary with TH hoping they would be happy to cooperate with SW. A letter was sent to DL toward the end of Q3 2023 regarding the SW proposal. SW has yet to receive any feedback from DL though in a brief meeting held with them in Q2 2023, they sounded eager to have further discussions with SW. This will be followed up in Q2 2024.

#### **4.2.2.2 Provincial water supplies:**

- (1) **Tulagi Water Supply:** All resettlement activities have been completed. The APs have received their payments and there are no other outstanding payments or pending MoUs.
- (2) **Noro Water Supply:** The Noro LARP is still awaiting a signed MOU with the respective trustees for the lands where the Noro Water Supply Upgrade works will take place.

The Commissioner of Lands (COL), appointed an acquisition officer (AO) to facilitate the proper processes to have the 3 parcels of the Ziata land where the upgrade works are going to take place, legally registered under the rightful landowners. This will enable SW to formally establish a lease agreement with them. In early December 2023, the AO made his determination, writing a report based on the evidence that was heard to decide who the rightful landowners are. The appeal period was 3months after the determination and ended on 4<sup>th</sup> March 2024.

At the close of appeal period 11 appeals were received. The appellants are Gumi Bea, Raymond Kasa, Ian Talasasa, Derick Kaza, Clinton Zinihite, John Alevanga, Hue Biku, Stanley Tome and David Gina. The hearing dates to be advised by CLAC (Customary Land Appeal Court) Western but was expected in April/May 2024.

Aside from the appeals from around December 2023 there is an application for a restraining order from the High Court by ANT Legal Services representing the Zinihite group. Unfortunately, the High Court set the hearing for 17 January 2024 so the activity they sought to restrain was finalised in 4<sup>th</sup> December 2023. The restraining order sought was to i) restrain SW from signing any agreement with COL and AO pending the outcome of any appeal against the determination of 4<sup>th</sup> December 2023, ii) restrain SW from making any payments to the determined landowners from 4<sup>th</sup> December 2023 and iii) require SW to give a copy of any MOU signed between CoL, LAO and the newly determined land owners.

After the appeals were lodged SW started to re-engage with the 3 land owner groups of Zinhites Talasasas and Bikus who previously provided support letters to the project but are not in the newly determined land owners. It was hoped SW could then sign an MOU with the landowners' trustees with the intention of allowing the development (proposed WS upgrade works) to proceed. However, with the appeals and application to high court for orders support from all parties

for the project is sought. Individual consultation was conducted with the Biku's and Zinihite's group in late March 2024. Further individual meetings and all landowner's stakeholder's engagement and forums are planned before the actual project construction.

- (3) **Munda Water Supply:** Suez has developed a draft LARP for Munda after consultations were conducted with customary and registered landowners who all supported the project, citing the need for water in Munda. Owners of customary lands also provided support/consent letters to SW, to allow SW access to the land to install pipeline works. The Munda water supply design includes a reservoir as part of the Munda system. A site at Polovesu has been identified for this purpose which is 'owned' by the Kere family who are also residing there. Polovesu, though it is customary, has about four generations of the Kere family living on it; this family is part of the Kazakuru clan, but has been recognised by clan, as having primary rights to the land. The Kere family has been consulted on numerous occasions, and have maintained their support for the project and the siting of the reservoir within the family land. To ensure that legal instruments are established to allow SW to have a proper lease agreement with the owners for the proposed tank site, the COL will have to initiate another land acquisition process according to the Land and Titles Acts similar to the one that recently occurred for Noro.

A valuation of the proposed tank site was undertaken in Q1 of 2023. SW however is waiting on the technical team to decide on other customary lands suitable for the siting of boreholes before it provides instruction to the COL to embark on the acquisition process.

SW will need to first investigate the feasibility of another possible reservoir site proposed by the Kere family but it is unlikely that SW will agree to that, as detailed design work has already been completed for the original site.

The maps of the proposed pipeline routes in Munda have been provided in the draft LARP but there is still the need to verify that the pipelines will not encroach into private properties. Suez stated that the proposed pipelines will follow the roads and had intended to follow up with MID to ascertain whether the roads in Munda have been gazetted. It has yet to be determined if MID or the provincial government own the roads, particularly within the Lambete area. The roads within Dundee area are customary, and there has already been a letter of support and consent from the community's chiefs to have the pipeline installed along the road. The proposed airport bore, north of the runway is within the land owned by the commissioner and therefore SW is going to prepare an MOU with the COL to allow access to rehabilitate and operate the borehole. At this stage no tests have been performed on the borehole to determine its state and yield. In case it is discovered to not be adequate, SW will have to look for an alternative bore site, likely to be in the Dundee area and situated on customary land. With SW priorities focused on Honiara infrastructure and other areas, progress on the Munda LARP has been slow.

- (4) **Gizo Water Supply:** Detailed design works on the pipelines have been completed. The hydrogeological survey of three boreholes owned by the Western Provincial Government, was completed at the end of 2022 with results showing that the yield is either insufficient or inconclusive. A decision was made that the boreholes need to be re-tested and additional bore sites identified. SW

is opting for further geophysical and borehole investigation. The preparation of the LARP and identification of APs for the complete network was undertaken by Suez in 2022 but not completed. However, it was established with Suez during the designing of the system, that all pipe routes must follow the road reserves. During the reporting period, the progress of the Gizo LARP remained unchanged. This LARP is pending the water source investigations to verify whether the investment for Gizo will proceed or not. SW does not want to pursue any negotiations with APs until after the next borehole investigation work is done, to prove which water source sites are viable.

The list ofLARPs and their approval status is shown on **Table 4-2** (above) while the following **Table 4-3** describes the progress of negotiations with landowners.

**Table 4-3 Status of Negotiations with Land Title Holders for Easement Access or Land Purchase**

| Names of Affected Parties                              | Type                            | Requirement for LARP                         | Status as of 31st March 2023 | Comments   |
|--|---------------------------------|--|------------------------------|--|
| <b>HNWW – Western Section LARP (Point Cruz to NRH)</b> |                                 |  |                              |  |
| Solomon Islands Ports Authority (SIPA)                 | Pump station (PS) and pipelines | MOU for easement access for pipeline and PS. | Ongoing                      | SW has made compensation offers to SIPA for proposed easements early this quarter including in a draft MOU. Once the compensation rates are agreed upon by SIPA, SW anticipates that SIPA will sign the MOU. This was expected to happen in Q4 2023, but SIPA is yet to respond to SW on the offers made to them. No official response received in this reporting quarter. |
| SSEC   | Pipelines                       | MOU for easement access.                     | Ongoing                      | SW and SSEC have agreed on a compensation figure. SW has also issued a draft MOU to SSEC with clauses agreed with by both parties. Anticipating MOU signing in Q2 2024.  |
| Uniting Church   | Pipelines                       | MOU for easement access                      | Ongoing                      | Anticipated MOU signing in Q2 2024. All clauses within the MOU including compensation figures have been agreed with by both parties.   |

| Names of Affected Parties                            | Type   | Requirement for LARP                                  | Status as of 31st March 2023       | Comments  |
|--|--|---|------------------------------------|---|
| MID  | Pipelines                                    | MOU for easement access                               | Not yet                            | For works on roadway between Point Cruz – NRH & Tuvaruhu-NRH. This section is not amongst the priority areas; however, an MOU with MID should be established in 2024.   |
| MHMS & COL   | Pipelines within NRH and 2 x Pump Stations   | MOU for easement access                               | Signed (18 <sup>th</sup> Aug 2022) | Completed   |
| Ontong Java Community (OJC)                          | Pipelines                                    | MOU for easement access                               | Ongoing                            | An MOU with OJC was signed on 6 June 2023. First 80% payment executed on 8 June 2023. 20% payment will be done after execution of easement instrument.  |
| Seafront Trustees                                    | Outfall                                      | MOU for easement access                               | Ongoing                            | Trustees want escrow account clause removed from MOU. SW cannot agree since the land in question (after the shoreline) is being contested in court by COL. Still awaiting court decision on ownership. No feedback from COL in this reporting period. |
| <b>HNWW – Eastern Section LARP (Bahai to Ranadi)</b> |  |   |                                    |   |
| MID  | Pipelines (Bahai-Ministry of Fisheries area) | MOU for easement access                               | Not yet                            | Anticipated MOU drafted by SW in Q2 in 2024.  |
| KCM  | NAHA PS                                      | FTE Payment for required land size (land acquisition) | Ongoing                            | SW has been following MOL progress on resumption of the land. Anticipating resumption to be completed in mid-2024   |

| <b>Names of Affected Parties</b> | <b>Type</b>                                   | <b>Requirement for LARP</b>         | <b>Status as of 31st March 2023</b> | <b>Comments</b>  |
|----------------------------------|---|-------------------------------------|-------------------------------------|--|
| MID                              | Pipelines (Fisheries to Ranadi Round – about) | MOU for easement access             | Signed                              | This project has been taken over by SIG  |
| MID                              | Ranadi PS and Pipelines                       | MOU for easement access and consent | Signed                              | 30 November 2022   |
| Tropical Helicopter (TH)         | Overflow pipe                                 | MOU for easement access             | Ongoing                             | Attempts to communicate with TH have not been successful. SW will hand over the issue to MOL for their assistance. SW in the meantime have liaised with Douglas Logistics which is the neighbouring property to see if they would accept SW's proposal to put pipes along their boundary. No response yet. |
| MID                              | Goodwood PS and Pipelines                     | MOU for easement access and consent | Signed                              | PS (18 <sup>th</sup> August 2022)<br>Pipeline (2 <sup>nd</sup> September 2022)   |
| COL & HCC                        | Ranadi Landfill PS                            | MOU for Consent                     | Signed                              | October 2022   |
| GPPOL                            | Pipeline                                      | MOU for easement access             | Ongoing                             | GPPOL has not yet signed the MOU because they would like to see the new detailed design drawing, including pipeline alignment, along the eastern boundary of GPPOL property. SW will engage SMEC to carry out the design work. Anticipating signing of the MOU in Q2 in 2024.                              |

| Names of Affected Parties                   | Type                               | Requirement for LARP                             | Status as of 31st March 2023 | Comments   |
|---|------------------------------------|--|------------------------------|--|
| <b>Provincial Water Supply – Munda LARP</b> |                                    |  |                              |  |
| Frank Kere, land occupant                   | Pipeline and Reservoir             | MOU for consent and clearance of trees and crops | Ongoing                      | Draft MOU already shared with the Kere family on 21 <sup>st</sup> November 2022. A response of support was provided by the Kere family but they requested to meet with SW to discuss compensation rates. The meeting did not eventuate in 2023. SW is anticipating a meeting with the Kere family in Q3 of 2024. |
| COL   | Borehole and pipeline              | MOU for consent                                  | Not Yet                      | Consultation has been done with MCA. SW need to draft an MOU with the COL after the bore has been tested for viability.  |
| <b>Provincial Water Supply - Noro LARP</b>  |                                    |  |                              |  |
| Ziata Tribal Owners (Kazakuru)              | Upgrade of existing Infrastructure | Supporting letter for the project to proceed     | Ongoing                      | The MOL initiated an acquisition process in Q3 of 2023 for the 3 plots of land where the proposed upgrade works will be undertaken. A determination of the rightful landowners was released in early December 2023 and an MOU signed. It was hoped this would allow for a conditional No Objection from DPs.     |

| Names of Affected Parties                  | Type      | Requirement for LARP     | Status as of 31st March 2023 | Comments   |
|--|-----------|--------------------------|------------------------------|--|
| <b>Provincial Water Supply - GIZO LARP</b> |           |                          |                              |  |
| Western Provincial Government (WPG)        | Pipelines | MOU for easement access  | Not yet                      | Pipeline routes will only follow road right of way. The Western Provincial Government gave consent in November 2022, for works to proceed in Gizo.<br><br>The Safeguards Team need reinvestigation works on the borehole to be completed as the initial one done in 2022 suggested that the existing bore fields are not viable. |
| Dr. Lester Ross & WPG                      | Reservoir | MOU for land acquisition | Complete                     | MOU executed in Q2 2023  |

#### 4.2.3 Resettlement

The Safeguards Team continues to monitor the construction works, but all current resettlement provisions have been completed for Honiara subprojects. Monitoring of site works is normally done in coordination with the National Social Safeguards Specialist, a position which is currently vacant in SW PMU. The contractors also submit monthly safeguards monitoring reports, which are reviewed by the PMU staff, who provide feedback through a 'Notice to Contractor' (NTC) system. There are currently four (4) CESMPs being monitored: the Honiara Water Supply Trunk Mains, Honiara Water Supply Reservoir subproject, Honiara Wastewater- Ranadi to Goodwood section and the Kongulai Water Treatment Plant subproject.

There will be future resettlement and compensation requirements for the Honiara Wastewater subprojects and the provincial water supply projects including Munda, Gizo and Noro for which LARPs are still progressing. During the reporting period, efforts have been made on consultations and negotiations with APs relating to the ongoing development of the LARPs.

**Matters of significant importance:** There are no matters of significant importance raised in this quarter.

**Grievance Redress Mechanism:** During the Q1 2024 reporting period one grievance was raised as shown in **Table 4-4** below.

**Table 4-4 Grievance Report**

| GRIEVANCE REPORT |                                 |   |               |  |                  |         |
|------------------|---------------------------------|---|---------------|--|------------------|---------|
| No.              | Officer receiving grievance     | Project                                   | Date received | Description of Grievance   | Responsible Team | Status  |
| 1                | Consultation Team<br>- PEP & SW | Kongulai to White River Trunk Mains works | 25-Jan 2024   | <p>Works along the gravesite must be done as per requests below:</p> <ol style="list-style-type: none"> <li>1. Excavation can only be done from the pump station to the first crossing</li> <li>2. No machine is allowed after the first crossing thus all works will be done manually</li> <li>3. Community members must be hired to do the manual trenching from the first crossing to the second crossing</li> <li>4. A cultural ceremony (Smoking of a pig) must be done before works can start. A common cultural practice on Guadalcanal.</li> </ol> | PEP              | Ongoing |

#### 4.2.4 Consultation and Awareness of the Project

A summary of consultations held during Q1 is shown in **Table 4-5** below. With construction works now proceeding, the SW PMU continues to provide support and oversight on the contractors' consultation requirements to ensure that the APs and the public are properly informed in adequate time before work proceeds and in the event that work completion is delayed.



Community consultation held at KGV school with SW staff - HNWS



PEP Staff consulting with market vendors about the Titinge reservoir project.

**Table 4-5 Awareness Registry Q1 2024**

| <b>Date</b>    | <b>Awareness Type/Project</b>                | <b>Community</b>                | <b>SW Action</b>     | <b>Key Contacts</b> | <b>Facilitator</b> | <b>SW Team</b> | <b>Participants</b>  | <b>Key Message</b>  |
|----------------|--|---------------------------------|----------------------|---------------------|--------------------|----------------|--|---|
| 11-<br>Jan-24  | Reservoir -<br>Tasahe                        | Tasahe A                        | Provide<br>Oversight | PEP                 | PEP Staff          |                | Male - 6<br>Female - 11  | 1. Inform the affected residents that there will be a concrete pouring for the new reservoir on Sunday, 14 & 28 of January 2024 at 5am till 11pm.<br>2. Safety of community<br>3. Cooperation from community is needed                    |
| 12-<br>Jan-24  | Trunk Mains - East Kola to Vura Roundabout   | East Kola to Kukum Highway      | Provide Oversight    | PEP                 | PEP Staff          |                | Male - 9<br>Female - 9<br>1. FYCS<br>2. Kukum SSEC Church<br>3. Kukum SSEC Kindy<br>4. Shops | To inform all affected School, shops, and residents at Kukum area that construction for the trunk mains (pipelines) will commence soon.   |
| 16 &<br>17 Jan | Trunk Mains - White River to IBS, Townground | White River - Tropics Apartment | Provide Oversight    | PEP                 | PEP Staff          |                | Male - 9<br>Female - 5   | Inform the affected residents, business companies and bus drivers that work for trunk mains (pipelines) will commence soon along the end of the left carriageway (Road) from White River 01 bus stop going eastward to Tropics Apartment. |

| Date           | Awareness Type/Project                | Community                  | SW Action                             | Key Contacts               | Facilitator            | SW Team   | Participants             | Key Message  |
|----------------|---------------------------------------|----------------------------|---------------------------------------|----------------------------|------------------------|---|--------------------------|--|
| 18 & 19 Jan 24 | Ranadi to Goodwood Outfall Project    | Telekom to Solrice, Ranadi | Assist with door to door consultation | Business' along work area  | SW Staff and PEP Staff | Noel Orudiana<br>Sophia Tango<br>Relinta Manaka     | Male - 12<br>Female - 12 | To inform the affected stakeholders and residences that work for construction of sewer mains (pipelines) will commence on Monday, 22nd of January 2024.                      |
| 22-Jan-24      | Trunk Mains - Capital Park            | Capital Park               | Provide Oversight                     | Businesses at Capital Park | PEP Staff              |   | Male: 11<br>Female: 3    | To inform all affected stakeholders and school along the capital park area to the east end of sports park that construction of trunk mains (pipelines) will commence soon.   |
| 24-Jan-24      | Trunk Mains - KGVI                    | KGVI School                | Assist with consultation              | KGVI School                | SW Staff and PEP Staff | Claudetta Ora<br>Xavie Vaisekavea<br>Relinta Manaka | Male: 11<br>Female: 11   | To inform the staff and students at KGVI school that construction of trunk mains (pipeline) will commence soon and that the works will temporarily affect pedestrian routes. |
| 25-Jan-24      | Trunk Mains - Kongulai to White River | Kongulai                   | Assist with consultation              |                            | SW Staff and PEP Staff | Don Belande<br>Xavie Vaisekavea<br>Relinta Manaka   | Male: 12<br>Female: 7    | To inform Kongulai landowners that construction of trunk mains (pipelines) alignment will be beside the graveyard and that it will not affect the graveyard.                 |

| Date      | Awareness Type/Project                                      | Community                       | SW Action                                  | Key Contacts                    | Facilitator            | SW Team   | Participants                                       | Key Message   |
|-----------|---|---------------------------------|--|---------------------------------|------------------------|---|--|---|
| 31-Jan-24 | Trunk Mains - East Kola to Vura Roundabout                  | Florence Young Christian School | Assist with consultation                   | Florence Young Christian School | SW Staff and PEP Staff | Claudetta Ora   | Male: 13<br>Female: 14                             | To inform the staff and students at Florence Young school that construction of trunk mains (pipeline) will commence soon and will affect student's and parents access to the school.  |
| 09-Feb-24 | Notice Issue  | Ranadi                          | Send email to affected business' via email |                                 | SW                     |   |  | Letting business houses know of the works that will happen on Sunday 11 Feb.<br>Indefinite closure of water mains to allow PEP to lay sewer pipes   |
| 12-Feb-24 | Informal Meeting with Peter Kutu, Simonina & Anthony Tebolo | Kongulai                        | Informal meeting (follow up)               |                                 | SW                     | Agnes Atkin, Relinta Manaka, Allen Gwao Jr, Don Bosco | Chief Peter Kutu, Simonina Lauhana, Anthony Tebolo | The follow up was to get feedback after consultation held on 25 Jan 24. The response was:<br>1. Excavation can only be done from the pump station to the first crossing<br>2. No machine is allowed after the first crossing thus all works will be done manually<br>3. Community members are hired to do the manual trenching from the first crossing to the second crossing<br>4. Smoking of a pig must be done |

| Date      | Awareness Type/Project                    | Community | SW Action                | Key Contacts | Facilitator | SW Team  | Participants                   | Key Message   |
|-----------|---|-----------|--------------------------|--------------|-------------|--|--------------------------------|---|
|           |   |           |                          |              |             |  |                                | before works start (cultural practice)  |
| 15-Feb-24 | Door to Door                              | Ranadi    | Assist with consultation |              | SW & PEP    | Nelson Taika, Frank Arebaio  | SI Cement to Auto Master Parts | Excavation of 800mm wide trenches for the laying of sewer pipes   |
| 22-Mar-24 | Consultation - Kongulai to WR Trunk Mains | Kongulai  | Assist with consultation | Peter Kutu   | PEP         | Agnes Atkin<br>Allen Gwao Jr<br>Xavie Vaisekavea<br>Relinta Manaka | Male: 8<br>Female: 8           | <p>The consultation was:</p> <ul style="list-style-type: none"> <li>- To hear whether the landowners will allow machines to pass through the first 120m of work area.</li> <li>- To know what is expected to be done before works commence - smoking of pig</li> <li>- To confirm that the community request for manually do trenching in the first 120m and that community members are to do the manual work.</li> </ul> |

#### 4.2.5 Gender Action Plan (GAP) Implementation

The GAP monitoring reports are now being produced quarterly. The Q1 2024 GAP report is presented in later in this QPR (See **Annex 6: GAP Report**).

There is ongoing monitoring to ensure all consultations include women participants and that resettlement agreements are providing compensation to both men and women. Basic monitoring of milestones and progress on gender related issues is ongoing with SW's international social safeguards and gender consultant providing support remotely to the PMU communication team, which has overall responsibility for gender issues within SW, assisted by the safeguards team. In particular, the team have tried to ensure that women in communities will have equal opportunities and will be protected from any adverse social impacts related to SW activities.



## **5 PERFORMANCE, MONITORING & EVALUATION FRAMEWORK (PMEF)**

The draft M&E H2 Semi-Annual Progress Report was compiled and shared internally with SW, PMU for peer review and shared with DPs in February 2024. SW is still waiting on the endorsement by ADB and WB of the report.

Following the project mid-term review mission and WB additional financing review mission in October 2023, there were recommendations for some changes to the project targets. This will have implications for future reporting against the project's results framework. ADB will process additional financing for approval in Q2/Q3 of 2024 and thereafter revise the ADB Design and Monitoring Framework to align with WB's Results Framework.

The proposed revisions to the WB's results framework have now been incorporated into the UWSSSP M&E Framework and will be reported against in the forthcoming H1 2024 SAP M&E report.

Following the March Review mission 2024, liaise with DPs and SW to confirm any changes to the UWSSSP M&E results framework based on the update to project results (both ADB and WB) in meeting the project development objectives, data gathering, targets and potential for achievement and/or under achievement.

Other Q2 2024 activities under PMEF included:

- PMU continues to monitor the progress of the indicators according to the agreed framework on a six-monthly basis to determine the efficiency and effectiveness of the project.

Most of Q1 of 2024 was spent on data collation, writing and finalising the H2 M&E Report for the timely submission to the donors.



## 6 AREAS OF CONCERN

Areas of concern are:-

### Physical Works

- Rean-PCS JV is pursuing legal action against SW to seek reversal of the termination (on 13<sup>th</sup> Dec 2023) of its contract to construct the Kongulai WTP. Plans to complete the WTP will be formulated by SW once the Court actions are resolved to enable completion of the sub-project. The case is currently pending release by the SI High Court of its ruling to continue the stay of the contract termination.
- Lack of in country resourcing is becoming an issue for Contractors. Resources for Safeguards and Technical roles remain difficult to secure which is leading to high burdens on SW and Contractor staff and Contractors' progress being limited.
- PEP is struggling to bring adequate resources to bear on the 3 sub-projects for which it has been contracted (combined value approximately USD 21m) and is not progressing in line with SW's expectations. Despite assertions in PEP's bids, the nominated personnel and equipment are not apparent with the Contractor seeking out sub-contracting arrangements with mixed success to date.
- Other concerns affecting the Ranadi to Goodwood Sewer Project include errors in design levels with actuals affecting set outs thus delaying project progress and numerous uncharted underground utilities (SW, SP and Telekom) resulting in damage and utility relocation works also delaying project progress. Proposals are being discussed and reviewed to address the RL issues through retrofitting the PE manholes and encasing the manholes with concrete to withstand lateral pressure during installation.
- The holding of the Pacific Games 2023 events (mid Nov 2023) in and around the new stadium at Ranadi affected various SW contracts in this area. To avoid impacting the Games SW contracts for Fisheries-Telekom Sewer, Ranadi-Goodwood Sewer & Outfall and parts of the Trunk Water Mains project were shut down from early October to December 2023. These stoppages substantially delayed all projects and will give rise to substantial EoT and delay cost claims by affected contractors. The time lost cannot be made up and completion is irretrievably delayed for all three projects.
- ADB are funding the widening to four lanes of Mendana Avenue from Town Ground to White River. Although the road works have been delayed the road works contractor (CCECC) has been working on drainage and culvert works in since late June 2023. The UWSSSP funded HNWS Trunk Mains project works contractor (PEP) was also delayed and now has to avoid conflict with CCECC's road works which is compounding the delays to SW's Trunk Mains sub-project.
- Recent landowner claims relating to SW's infrastructure sites near Noro have the potential to substantially delay the water supply upgrade works contract which was awarded on 25<sup>th</sup> January 2024.

### Design

- SMEC's design for Stage 2 Trunk Mains rehabilitation shows numerous existing mains running under houses. This approach to procurement is likely to transfer a great deal of risk onto bidders and increase project costs. An alternative approach

engaging local contractors to pothole (and test pit) the length of the mains and then determining the best position for the replacement pipes and showing these on the tender drawings is likely to yield a lower price. Although the pothole survey will delay release of tender documents the delay to completion of this project should be at least partially offset by the time saved due to the contractor being relieved of the potholing task.

#### **Environmental safeguards:**

- PEP is struggling to implement its CESMP requirements at its project sites. This is indicated by repeated observation and records of non-compliances at their construction sites.

#### **Safeguards**

- Areas of concern remain the same as in the last quarterly report. Slow progress in land acquisition continues and is one of the key reasons for the delay in submission of LARP documentation. Much of the land is government owned but there are significant tracts of customary (mainly in the provinces) or privately held land that are yet to be acquired. In particular, there have been difficulties in acquiring necessary land for pipelines and pump stations in Honiara, as private owners are reluctant to sell or lease for the official valuation rates. Getting agreements with some parties has proved very time consuming, not to say frustrating. Most of the LARPs are awaiting the signing of MOUs to finalise agreements with landowners.
- SIG - Ministry of Lands, Housing & Survey is progressing with revised Land Tenure arrangements for SW's three operational sites in Noro and this may impact the proposed UWSSSP Upgrade works beyond delaying the commencement date until July/August 2024.

#### **Catchment Protection:**

- Historic disputes and conflicts with customary land owners in catchment areas continues for land issues and natural resources management. A constructive dialogue has to be continued and financially and socially viable compensation packages determined for forthcoming land use zoning and subsequent restrictions.
- While several steps forward were taken in engaging various project stakeholders the lack of coordination and timely consultations remains weak and leads frequently to difficulties in developing and implementing sustainable catchment management strategies.

## 7 NEXT QUARTER (Q2 2024) - PLANNED ACTIVITIES

The following are the main UWSSSP activities planned for Q2 of 2024:

### **UWSSSP Studies and Designs**

- Substantially complete UWSSSP Phase 2 design services (SMEC), ready for tendering works packages later in 2024 and beyond.

### **Physical Works**

- Implementation of the following sub-project construction works in accordance with their respective contract documents: (i) HNWS Service Reservoirs; (ii) HNWS Water Trunk Mains; (iii) HNWW Ranadi Rd to Goodwood Sewer Outfall.
- Kongulai WTP - resolution of contract termination claims, conclusion of ongoing Court actions with contractor, implementation of plans to complete construction of the WTP;
- Resolution of design and water source investigations for Gizo PWS to enable progress towards finalisation of bid documents for the Munda and Gizo PWS sub-projects and release for bidding, No Objections and release of request for tenders also dependent on four party funding confirmation between SIG, DFAT, WB and ADB.
- Prepare to commence implementation of the contract for the Noro PWS sub-project. Procurement of long lead plant and equipment should commence in Q2 with delivery to occur ahead of site mobilisation in July 2024.
- Combined drilling campaign for Gizo and Munda expected to commence by mid-2024.
- Resolve future status of the revised SCADA project, depending on finance availability from DPs.

### **Environmental safeguards:**

- Continue on the monitoring of CESMP implementation on UWSSSP Phase 1 subprojects in Honiara. Follow up on unresolved CARs and recommendations.
- Undertake site inspections of UWSSSP Phase 1 subprojects in Honiara.
- Advance Environmental Safeguard Training for PMU and Contractor Staffs that will be facilitated by ADB in Honiara.
- Establish an ESM database for each UWSSSP subprojects.

### **Social Safeguards:**

- Continuation of work to establish and operate Community Advisory Committees (CACs) for HNWS.
- Completion of LARPs and submission/approval of development partners for:
  - Noro, Munda and Gizo provincial water supplies.
  - HNWW NRH and Ranadi Sewer Works sub-projects.
- Continue procurement and award a contract for a consultant to implement Wash in Schools (WinS) sub-project.

- Meet with relevant SW staff to review data which is collected at time of water connection to households. There is a need to include more information, in order to monitor progress, such as: age, literacy level, disability, income bands, female headed households. A work plan is to be developed for implementation of surveys.
- Develop long-term plan for three surveys to help monitor the project impacts on women. These should take place in 2024, 2025, and 2028. A working group consisting of the Gender specialist, WASH specialist, and M&E specialist to discuss with SW staff, the design of the proposed 2023 survey, in order to provide data to monitor the GAP and project indicators. A work plan to be developed for implementation of the survey(s).

### **Catchment protection:**

- Follow up on hydrological assessments of the target catchments to support protection zoning and planning of conservation and restoration activities.
- Further mapping of areas for conservation and sites for restoration activities also in cooperation with GEF 6 and forthcoming logging applications in continued dialogue with MECDM
- Commence implementation of income generation activities e.g. nursery operations and training on the provision of plant material for forthcoming field testing and out-planting in identified areas, including Cherona landslide at Kongulai
- Roll out of further stream bank stabilisation methods, including Vetiver Grass planting at additional catchment sites.
- Start-up workshops with land user groups regarding PES and income generation. Finalise and commence the communication and outreach strategy.
- Inputs by the catchment specialist individual consultant were wound up at the end of July 2023. Commence alternative arrangements for delivering the remaining scope of tasks from the specialist's ToR through a variation to Nakau/L&L's contract and continuing Fluvio's inputs to undertake parts of this work.

### **Performance, Monitoring and Evaluation Framework (PMEF)**

Planned PMEF activities for Q2 2024 include:

- Complete data gathering and start collation for next M&E reporting period (H2 of 2023) and submit the draft for peer review and final version for donor approval.
- Receive DP comments on H2 Report 2023 and make required changes.
- Prepare and participate in the M&E and project risk sessions at relevant donor missions.
- Update the UWSSSP M&E data collection scorecards with the proposed revisions to WB results framework for H1 2024 reporting period.
- Work closely with EU, other Donor partners and UWSSSP to align EU project log frame to existing UWSSSP M&E framework and existing reporting mechanisms that will minimise the duplication of reporting against the project impact, outcome and output indicators.
- Continued implementation and reporting against the ADB M&E Framework (PMEF) and the World Bank Results Framework (RF).

### **WASH in Schools (WinS)**

Planned WinS activities in Q2 2024 are:

- Complete evaluation of WinS bids
- Award contract for the WinS consultancy contract and commence the work.



## **Annex 1: Sub-Project Summaries**

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## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

**Project SW0402021 UWSSSP-Kongulai WTP, 1km Pipeline to Tasahe Tank & Operations (1yr & 1yr option) Contractor:** REAN Watertech PCS JV. Contract Start Date 5 May 2022. Intended Completion Date at Start Date: 29 June 2023. Contractor's Estimated Completion (incl. Variations, if any): 29 June 2024.

|                           | Contract Content or Description   | Status at report date  | SW Comments   |
|---------------------------|---|--|---|
| <b>Scope</b>              | Construct Kongulai Water Treatment Plant (WTP). Construct 1 km pipeline to Tasahe tank. Operate WTP for 12 months. Option to operate WTP for a further 12 months.                       | Works partially complete at 13th Dec 2023, Contractor Site presence limited to security/maintenance personnel. | Scope of Works remain unamended, external determinative forum deliberating circumstances.   |
| <b>Budget</b>             | Value USD15.6M  | Budget approved and available to Employer  | USD 0.467M paid to date.  |
| <b>Schedule</b>           | Intended Completion Date 29 June 2023   | Program update not provided in Jan-2024 according to GCC 35.1  | Program remains unamended, external determinative forum deliberating circumstances.   |
| <b>Construction Works</b> | Specification and Drawings defines and describes Works  | Site offices and sediment controls established, and earthworks and excavations partially performed.            | Recommendation of Construction Works subject to external determinative forum deliberation and placement of CAR insurance.                           |
| <b>Procurement</b>        | Contractor Procurement Plan identifies vendors and sources of materials and supplies  | Limited materials delivered into Honiara Port during Jan/Feb-2024.   | As yet unverified completion of inputs as follows: Design 70% complete Materials and equipment procurement 75% ordered and 50% manufactured.        |
| <b>Resources</b>          | Contractor Resource Management Plan contains details  | Project Manager at and around Site, security personnel at Site.  | Resource mobilisation subject to external determinative forum deliberation.   |
| <b>Communication</b>      | Contractor Communication Plan contains details  | Communications generally flowing according to GCC 12.1.  | Further and detailed communications subject to external determinative forum deliberation.   |
| <b>Contract</b>           | GCC, PCC and other documentation define and describe Party obligations, entitlements, duties, powers and liabilities. Liquidated Damages set at USD6,000 per day max 260 days (USD1.6M) | Performance Bond expiry date is <b>23<sup>rd</sup> Oct 2024</b> .  | Further and detailed communications regarding labour laws, insurance, CESMP, quality of Works subject to external determinative forum deliberation. |
| <b>Quality</b>            | Contractor Quality Management Plan contains details   | CESMP compliance measurement requires further enquiry.   | Further and detailed communications subject to external determinative forum deliberation.   |
| <b>Risks</b>              | Contractor Risk Management Plan contains details according to GCC 16 through 19   | Contractor recording and reporting requires further enquiry.   | Further and detailed communications subject to external determinative forum deliberation.   |
| <b>Major Issues</b>       |   | 1. Program, CESMP, construction and related slippage.<br>2. Kongulai land lease.                               | Slippage has budget and cost impacts, and reputational risk. Landowner agitation regarding water supply and related payments from SIG.              |

## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

### Project SW0662021 UWSSSP - Water Reservoirs (x3) Concrete Tanks at Panatina, Tasahe, & Titinge

Contractor: Pacific Engineering Project (PEP) Contract Start date: 3 May 2022

Completion Date at Start Date: 4 November 2023.

Contractor's Estimated Completion (incl. Variations, if any): 30 July 2024.

|                           | Contract Content or Description   | Status at report date  | SW Comments   |
|---------------------------|---|--|---|
| <b>Scope</b>              | Build three concrete water reservoirs<br>Panatina (2.5ML)<br>Tasahe (3ML) Titinge (3ML) | Unchanged  | There have been no major changes to the scope of works  |
| <b>Budget</b>             | Value USD 7.1M  | Budget approved and available to Employer  | Certified to date: USD 1,923,100 Paid to date USD 1,482,500 Figures include Advance Payment. All payments are being made in accordance with the contract. |
| <b>Schedule</b>           | Intended Completion Date 30 November 2023.  | PEP currently Reporting Completion Date is 30 July 2024. SW forecast completion around November 2024                           | Construction works seriously delayed. Extensions of time sought but none approved due to inadequate documentation/ justification to support claims.       |
| <b>Construction Works</b> | No major changes to scope of construction works.  | Base slabs for two sites, Tasahe & Titinge Reservoirs 90% complete with the Panatina site base slab construction now underway. | Delivery of concrete to contract requirements is challenging as concrete plant is many kilometers away from the three sites.                              |
| <b>Procurement</b>        | Contractor Procurement Plan identifies vendors and sources of materials and supplies    | Currently procuring electrical and long lead hot-dipped galvanized steel items.  | Materials and equipment procurement 95% complete.   |
| <b>Resources</b>          | Contractor Resource Management Plan contains details                                    | Ability to engage enough concrete batching plants and concrete pumps are an ongoing challenge.                                 | Procurement of increased SW staff resources underway.   |
| <b>Communication</b>      | As per contract - Communication Plan implementation                                     | Communication and reporting, language barrier (EASL) issue improving.  | Contractor demonstrating minimal improvement, failing to respond to correspondence/NTCs Issued by the SW Project Manager on several serious Issues.       |

## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

### Project SW0192019: UWSSSP - Trunk Water Mains (x3) - Construction of 11km trunk mains in Honiara

Contractor: Pacific Engineering Projects (PEP) Contract Start date: 16 June 2022. Intended Completion

Date at Start Date: 18 December 2023. Contractor's Estimated Completion (incl. Variations, if any):

13 May 2024.

|                           | Contract Content or Description  | Status at report date   | SW Comments  |
|---------------------------|--|---|--|
| <b>Scope</b>              | Build 6km trunk main Kongulai to White River to Rove. Build 1.8km trunk main East Kola to Kukum Highway. Build 3.2 km trunk main Panatina reservoir to Burns Creek | MID have required SW to dig the majority of pipelines much deeper so that minimum 2m cover is achieved under lanes, with impacts on time and costs. Pacific Games work has impacted on completion time and costs. | Numerous pipes' routes adjustment requesting redesign of drawings due to MID requirements, sites constraints and conflict with other contracts. Only 1.2 km pipes design is remaining to date. |
| <b>Budget</b>             | Value USD 7.8m   | Budget approved   | Certified to date: USD 1,172,970<br>Paid to date USD 1,458,100<br>Figures include the Advance Payment.   |
| <b>Schedule</b>           | Scheduled completion as per contract is 18 December 2023   | Delayed, with schedule overrun. PEP Reporting Completion Date November 2024. SW unable to forecast completion date.   | Construction works are seriously delayed due to lack of contractor's internal and external resources (staffing, sub-contractors and machine)   |
| <b>Construction Works</b> | General issues of construction works.  | Panatina to Burns Creek - 884m of pipeline in ground and partially tested, 690m yet to be tested. East Kola to Kukum Highway - 562m in ground and tested ok.  | Construction works partially resumed on 5th February 2024 after lifting stop work order Issued in November 2023 for non compliance with welding quality control.                               |
| <b>Procurement</b>        | Contractor Procurement Plan identifies vendors and sources of materials and supplies   | Materials delivered to site   | Materials and equipment procurement 98% complete and paid in advance as a favor to the contractor. Only one site office (installed in November 2023) to service 3 sites.                       |
| <b>Resources</b>          | Contractor Resource Management Plan contains details   | Mobilised at 7 sites, inadequate PEP & SW resources to cater for this amount of activity. PEP failing to provide suitable Technician Foremen, sub-contractors and machines (excavators)                           | PEP laid only 40m of pipes between mid-November 2023 and End of March 2024 with their current available resources (on 2 different sites) in West.  |
| <b>Communication</b>      | As per contract - Communication Plan implementation  | Reports are not being received monthly  | Fair quality reports provided, albeit some inaccuracies. Program and work schedules provided are unrealistic due to PEP not having sufficient resources available.                             |
| <b>Contract</b>           | Contract provisions and requirements remain unchanged  | Behind schedule   | Could not deliver by December 2023 as per contract and unable to plan/deliver a compliant program due to chronic lack of resources.  |
| <b>Quality</b>            | Contractor Quality Management Plan contains details  | Poor quality of traffic management and trenching work, poor quality of workplace safety, poor quality concrete pours.   | Overall – Poor results by contractor for road reinstatement and barricades. Failure to achieve community consultations   |
| <b>Risks</b>              | Contractor Risk Management Plan contains details according to GCC 16 through 19  | Project schedule. Early warnings not accurately quantified or qualified by contractor and not submitted to SW within reasonable and acceptable timeframes.  | Project achievement is compromised as well as quality control.   |
| <b>Major Issues</b>       |  | 1. Program, CESMP, construction, slippage. 2. Project delivery and costs impact. 3. Competency and suitability of PEP supervision.  | Cost over-run and time delay issues. Financial risk due to Advance paid above contract requirements. Payments are being made in accordance with the contract.                                  |

Updated to: 31<sup>st</sup> March 2024

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## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

### Project SW0622021: UWSSSP - Sewer Works - Fisheries to Telekom 1.2 km Sewer Pipeline

Contractor: McConnell Dowell Contract Start date: 7 December 2022

Intended Completion Date at Start Date: 7 December 2023.

Contractor's Estimated Completion (incl. Variations, if any): 08 October 2024

|                           | Description  | Status   | SW Comments  |
|---------------------------|--|--|--|
| <b>Scope</b>              | Construction and installation of Sewer between Fisheries and Telekom. Includes laying of 1.2km of DN400, DN500 and DN700 PE pipes; laterals of DN200 PVC pipes and construction of manholes. | Scope reduced by two manholes and 80 metres length of piping   | No other changes to the scope of works   |
| <b>Budget</b>             | Value SBD 80m  | Budget approved and available to Employer<br>Variation for extra geotech cost pending.   | Paid to date SBD 53.3m.  |
| <b>Schedule</b>           | Scheduled completion May 2024  | Work ceased due to PG2023 Games, and recommenced 11 Dec 2023.  | Completion date extended to 08 October 2024.   |
| <b>Construction Works</b> | No change to status of construction works.   | Additional road paving was required for PG2023   |  |
| <b>Procurement</b>        | Contractor Procurement Plan identifies vendors and sources of materials and supplies   | No procurement issues  | Design 100% complete.<br>Materials and equipment procurement 98% complete  |
| <b>Resources</b>          | Contractor Resource Management Plan contains details   | All resources mobilised to site  | No issues  |
| <b>Communication</b>      | Contractor Communication Plan contains details   | Communications generally flowing according to GCC 12.1.  | Notices being put out for general public information   |
| <b>Contract</b>           | Contract provisions and requirements remain unchanged  | Provisions and requirements of contract complied with.   | No Issues  |
| <b>Quality</b>            | As per contract - Quality Management Plan implementation   | High level of quality assurance provided by Contractor   | Re: safety, reporting, works social safeguards, environment etc.   |
| <b>Risks</b>              | Contractor Risk Management Plan contains details according to GCC 16 through 19  | Further civils and excavation risk from rock/hard ground and restrictions on lane closures   | Delay impacts on schedule and costs<br>Hard ground encountered, possible claim for unforeseen ground conditions.   |
| <b>Major Issues</b>       | Civil works  | Sheet piling progress variable due to ground conditions. Tax exemption Issue - Contractor has paid tax expecting refund. On-going issue with civil works | Delay in works schedule. Delay in refund of taxes and duties.<br><br>Delay & cost increases if MID/SIG can not not approve addition length of Kukum Hwy lane closures. |

## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

### Project SW0682021: UWSSSP Ranadi Road to Goodwood Outfall Sewer Project, 1.2 km Pipeline

Contractor: Pacific Engineering Projects (PEP) Contract Start date: 21 December 2022. Intended Completion Date at Start Date: 28 October 2023. Contractor's Estimated Completion (incl. Variations, if any): 15 January 2024.

|                           | Description   | Status  | SW Comments   |
|---------------------------|---|---|---|
| <b>Scope</b>              | Construction of 2km sewer from Ranadi Roundabout (Ela Motors) to Goodwood Marine Outfall (pipes PVC DN225 to HDPE DN400) and construction of associated manholes and a pumping station. | Unchanged.  | There have been no changes to the scope of works but deletion of several components is under consideration incl. temporary pumping station, outfall, seven manholes and 270m DN400 pipe.                          |
| <b>Budget</b>             | Value: NZD 5.45m & SBD 22m (Total Approx. USD 6.0m)   | Budget approved and available to Employer. Cost variations pending approval.  | Paid to date NZD 4.3m (Includes Advance Payment). No Variations approved to date. Advance payment bond extended to 31 March 2024. 100% Goods and Duty Exemptions valid to 30 April 2024.                          |
| <b>Schedule</b>           | intended Completion Date 28 October 2023  | Pending EOT approval following stop works at Goodwood, suspension of works for PG2023 and levels (RL) discrepancy issues. | No EOT approved to date Contractor forecast completion on 26 June 2024. SW forecast November 2024.  |
| <b>Construction Works</b> | Construction scope of works.  | Total works complete 25% to date. Around 650m of pipes laid. Manhole installation to follow.                              | Proposed changes to manhole installation to address RL issues.  |
| <b>Procurement</b>        | As per contract – Procurement Plan implementation   | Manholes procured 100% complete. Procurement of HDPE and PVC pipes/fitting 100% complete, and prefabricated pump station. | Design 100% complete Materials and equipment procurement 100% complete  |
| <b>Resources</b>          | As per contract - Resource Management Plan implementation   | Mobilisation of resources gradual. Staff movements (SW & PEP)   | Night works ongoing at East connection because work on narrow road with heavy traffic too disruptive during the day.  |
| <b>Communication</b>      | Contractor Communication Plan contains details  | Communications generally flowing according to GCC 12.1.   | Weekly project meetings occurring. Need for Improved stakeholder communication and engagement by contractor.  |
| <b>Contract</b>           | Contract provisions and requirements remain unchanged   | Contract provisions complied with.  | Need continuous monitoring to ensure compliance to CESMP.   |
| <b>Quality</b>            | Contractor Quality Management Plan contains details   | Satisfactory  | Needs continuous monitoring to ensure QA.   |
| <b>Risks</b>              | As per contract - Risk Management Plan implementation   | Land owner adjacent outfall objection outstanding   | SW managing Landowner issue. Safety audits carried out regularly to ensure risks are mitigated.   |
| <b>Major Issues</b>       | Land owner issue at the Outfall.  | Work stopped at Goodwood section on 7 June 2023 by landowner.   | SW and contractor negotiation ongoing with current landowner re: extension of outfall point further from waterline. Deletion of temporary pumping station and outfall to remove this risk is under consideration. |

## Sub-Project Summary 30<sup>th</sup> March 2024 issued according to GCC 7 [Confidential Details]

Title: Urban Water Supply and Sanitation Sector Project (UWSSSP)

**Project SW0212019B Noro Water Supply Upgrade, New Water Treatment Plant and minor upgrades at Ziata raw water intake and treated water reservoir sites**

CCB Envico. Commencement Date 22/02/2024. Intended Completion Date at Start Date: 25/08/2025. Contractor's Estimated Completion (incl. Variations, if any): 25/08/2025.

|                           | Contract Content or Description   | Status at report date  | SW Comments  |
|---------------------------|---|--|--|
| <b>Scope</b>              | Construct a brand new water treatment plant alongside the existing facility including new filters, new treated water pumps, disinfection and automatic controls.                            | Procurement of long lead overseas equipment has commenced.                                       | Pre-mobilisation stage.  |
| <b>Budget</b>             | CCB Envico contract value at award is USD 4,719,071   | USD 5,977,971 budget approved includes for EoT and quantity variation.                           |  |
| <b>Schedule</b>           | Intended Completion Date 25/08/2025   | Revised tender Program shows completion 19/08/2025 based on site possession 15/07/2024           | Pre-mobilisation stage.  |
| <b>Construction Works</b> | Specification and Drawings defines and describes Works  | Possession of site not available until at least 15/07/2024 due to unresolved land issues         | Pre-mobilisation stage.  |
| <b>Procurement</b>        | Contractor Procurement Plan awaited   | Contractor has already visited Indonesia where filter units are to be manufactured by Filtrum    | Commenced  |
| <b>Resources</b>          | Contractor Organisation Chart contains details  | All personnel currently off site in pre-construction stage                                       | Resource mobilisation subject to SW resolving land access for 3 sites  |
| <b>Communication</b>      | Contractors tender Communication Plan to be updated   | No contractor community consultation should occur pending SW resolving land issues               | Pre-mobilisation stage.  |
| <b>Contract</b>           | GCC, PCC and other documentation define and describe Party obligations, entitlements, duties, powers and liabilities. Liquidated Damages set at USD \$2,360.00 per day to maximum \$471,907 | Performance Bond expiry date is 22/09/2025.  | Performance bond is yet to be provided   |
| <b>Quality</b>            | Tender Quality Management Plan contains details   |  |  |
| <b>Risks</b>              | Contractor Risk Management Plan contains details according to GCC 16 through 19   |  | Significant LO risks being managed by SW   |
| <b>Major Issues</b>       |   | 1 Land issues at all 3 sites. CoL has issued interim determination but this has been challenged. | All 3 sites have been operational for 39 years but land tenure never fully settled. Proposed commencement date in July is under threat with EoT costs to accrue at USD 5,500 per week. |

## **Annex 2: UWSSSP 2024 Annual Work Plan**

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| Annex 1: 2024 ANNUAL WORK PLAN   |   |  |              |    |              |                                    |                           |                    |  |  |  |
|--|---|--|--------------|----|--------------|------------------------------------|---------------------------|--------------------|--|--|--|
| <u>Output 1</u> <u>Secure and safe urban water supplies</u>                    |   | Q1   | Q2           | Q3 | Q4           | Project Value (USD m) <sup>1</sup> | Spend to end 2023 (USD m) | 2024 Spend (USD m) | Source of funds  | Safeguards                                     |  |
|  |   |  |              |    |              |                                    |                           |                    |  | Status at End 2023                             | Actions in 2024  |
| Honiara Water Supply   |   |  |              |    |              |                                    |                           |                    |  |  |  |
| 1.1  | Kongulai Water Treatment Plant                    | Under Review                                   |              |    | 17.00        | 0.47                               | 0.50                      | ADB/WB             | All safeguards requirements have been met.                           | Implementation arrangements under reviw        |  |
| 1.2  | Honiara Network Water Supply - Trunk mains        | Construction                                   |              |    | 7.79         | 1.46                               | 6.33                      | ADB/WB             | All safeguards requirements have been met.                           | Monitor Implementation.                        |  |
| 1.3  | Honiara Network Water Supply - Service Reservoirs | Construction                                   |              |    | 7.10         | 1.92                               | 5.18                      | ADB/WB             | All safeguards requirements have been met.                           | Monitor Implementation.                        |  |
| 1.4  | Pre-paid Water Meter (Cash Water) Change Out      | Ongoing  |              |    | 2.83         | 1.41                               | 0.50                      | ADB/WB             | N/A  | N/A  |  |
| 1.5  | Honiara Pipe Replacements                         |  | Bid & Award  |    | Construction | 8.90                               | 0.00                      | 1.00               | ADB/WB   | -  | IEE & LARP   |
| 1.6  | Honiara Water Supply Expansion                    | Under Review                                   |              |    | Bid & Award  | 13.40                              | 0.00                      | 0.00               | ADB/WB   | -  | IEE & LARP   |
| Provincial Water Supply Schemes  |   |  |              |    |              |                                    |                           |                    |  |  |  |
| 1.5  | Provincial Water Supply - Gizo <sup>2</sup>       | Additional Investigations                      |              |    | Bid & Award  | 12.83                              | 0.00                      | 2.00               | ADB/WB/ EU   | IEE 95% complete. LARP 85% complete            | Finalise IEE & LARP for approval, and monitor implementation |
| 1.6  | Provincial Water Supply - Noro                    | Contract Award                                 | Construction |    |              | 4.16                               | 0.00                      | 3.00               | WB   | IEE approved. LARP 95% complete.               | Contract Award & Implementation                              |
| 1.7  | Provincial Water Supply - Munda                   | Additional Investigations prior to Bid & Award |              |    | 2.85         | 0.00                               | 0.50                      | ADB/WB/ EU         | IEE approved. LARP 85% complete.                                     | LARP approval and Monitor implementation       |  |
| 1.8  | Provincial Water Supply - Tulagi                  | On Hold.    Scope reduction required.          |              |    | 2.00         | 0.00                               | 0.00                      | ADB/WB/ EU         | On hold  | Revise IEE & LARP                              |  |
|  |   | Output 1 Total                                 |              |    | 78.85        | 5.25                               | 19.01                     |                    |  |  |  |
| <u>Output 2</u> <u>Effective, efficient and safe urban sanitation services</u> |   | Q1   | Q2           | Q3 | Q4           | Project Value (USD m) <sup>1</sup> | Spend to end 2023 (USD m) | 2024 Spend (USD m) | Source of funds  | Safeguards                                     |  |
|  |   |  |              |    |              |                                    |                           |                    |  | Status at End 2023                             | Actions in 2024  |
| Honiara Sewer Rehabilitation and Expansion Program                             |   |  |              |    |              |                                    |                           |                    |  |  |  |
| 2.1  | Ranadi Rd to Goodwood Outfall Sewer Works         | Construction                                   |              |    | 6.65         | 2.64                               | 4.00                      | ADB/WB/EU          | EIS approved by MECDM. LARP approved. Exemption received from MECDM. | EIS approval. Monitor Implementation.          |  |
| 2.2  | NRH Sewer Works and Outfall                       | Deferred                                       |              |    | 21.73        | 0.00                               | 0.00                      | ADB/WB/EU          | EIS submitted to MECDM.LARP 85% complete.                            | EIS and LARP approval. Monitor implementation. |  |
| 2.3  | Ranadi Sewer Works and Outfall                    | Postponed to 2025                              |              |    | 14.90        | 0.00                               | 1.00                      | ADB/WB/EU          | EIS Submitted to MECDM. LARP 85% complete.                           | EIS and LARP approval. Monitor implementation. |  |
| 2.4  | Septage Treatment Facility                        | Deferred                                       |              |    | 0.00         | 0.00                               | 0.00                      | ADB/WB/EU          | N/A  | N/A  |  |
|  |   | Output 2 Total                                 |              |    | 43.28        | 2.64                               | 5.00                      |                    |  |  |  |

| <b>Output 3</b>                        | <b><u>Enhanced awareness of hygiene and water issues and sustained improved hygiene</u></b> | <b>Q1</b>  | <b>Q2</b> | <b>Q3</b>   | <b>Q4</b>      | <b>Project Value (USD m)<sup>1</sup></b> | <b>Spend to end 2023 (USD m)</b> | <b>2024 Spend (USD m)</b> | <b>Source of funds</b> |
|--|---|--|-----------|-------------|----------------|--|----------------------------------|---------------------------|------------------------|
| 3.1                                    | WaSH Baseline Survey  | Completed in 2021                                  |           |             |                | 0.08                                     | 0.08                             | 0.00                      | ADB/EU                 |
| 3.2                                    | Hygiene Awareness - Part B  | UWSSSP component completed in Q1 2024              |           |             |                | 1.00                                     | 0.00                             | 1.00                      | ADB/EU                 |
| 3.3                                    | WaSH in Schools   | RFP & Award  |           |             | Implementation | 1.00                                     | 0.00                             | 0.80                      | ADB/EU                 |
|  |   | <b>Output 3 Total</b>                              |           |             |                | <b>2.08</b>                              | <b>0.08</b>                      | <b>1.80</b>               |                        |
| <b>Output 4</b>                        | <b><u>Institutional Strengthening and Project Management</u></b>                            | <b>Q1</b>  | <b>Q2</b> | <b>Q3</b>   | <b>Q4</b>      | <b>Project Value (USD m)<sup>1</sup></b> | <b>Spend to end 2023 (USD m)</b> | <b>2024 Spend (USD m)</b> | <b>Source of funds</b> |
| 4.1                                    | Financial Management System Replacement   | System Live  |           |             |                | 0.85                                     | 0.85                             | 0.00                      | ADB/SW                 |
| 4.2                                    | Data Management Including SCADA   | Postponed  |           | Bid & Award | Implementation | 0.50                                     | 0.00                             | 0.25                      | ADB/SW                 |
| 4.3                                    | Detailed Engineering Design - Phase 2   | Implementation/Completion                          |           |             |                | 1.90                                     | 1.20                             | 0.70                      | ADB/SW                 |
|  |   | <b>Output 4 Total</b>                              |           |             |                | <b>3.25</b>                              | <b>2.05</b>                      | <b>0.95</b>               |                        |
| <b>Output 5</b>                        | <b><u>Catchment Protection</u></b>  | <b>Q1</b>  | <b>Q2</b> | <b>Q3</b>   | <b>Q4</b>      | <b>Project Value (USD m)</b>             | <b>Spend to end 2023 (USD m)</b> | <b>2024 Spend (USD m)</b> | <b>Source of funds</b> |
| 5.1                                    | Catchment Management & Paid Ecosystem Services Consultancy - Nakau                          | Implementation                                     |           |             |                | 1.49                                     | 0.40                             | 0.50                      | GEF                    |
|  |   | <b>Output 4 Total</b>                              |           |             |                | <b>1.49</b>                              | <b>0.40</b>                      | <b>0.50</b>               |                        |
| <b>Solomon Water Funded Activities</b> |   | <b>Q1</b>  | <b>Q2</b> | <b>Q3</b>   | <b>Q4</b>      | <b>Project Value (USD m)</b>             | <b>Spend to end 2023 (USD m)</b> | <b>2024 Spend (USD m)</b> | <b>Source of funds</b> |
| 5.1                                    | Contingency support to construction Projects  | As required  |           |             |                | 6.50                                     | 0.00                             | TBD                       | SW                     |
| 5.2                                    | Support to Output 4 projects  | In kind contribution to PMU management & operation |           |             |                | 2.50                                     | 0.50                             | 0.50                      | SW                     |
|  |   | <b>SW Contribution Total</b>                       |           |             |                | <b>9.00</b>                              | <b>0.50</b>                      | <b>0.50</b>               |                        |
|  |   | <b>WHOLE PROJECT</b>                               |           |             |                | <b>136.46</b>                            | <b>10.53</b>                     | <b>27.27</b>              |                        |

**Notes:**

<sup>1</sup> Includes 10% contingency

<sup>2</sup> Requires further design. Implementation to be funded in part by Australia DFAT grant of AUD 15m (~USD 10.07m) outside of UWSSSP

<sup>3</sup> Output 1.6, 1.7, 2.1, 2.2 & 2.3 - delayed by EU/ADB funding agreements not becoming effective until 28/04/23.

### **Annex 3: UWSSSP Financial Summary**

The following table shows funds allocated and disbursed over the Life to Date (LTD) of the funding agreements that comprise the UWSSSP

DRAFT



# URBAN WATER SUPPLY AND SANITATION SECTOR PROJECT

## Financial Summary

Cumulative up to 31 March 2024, in US dollars

### Project Disbursements by Disbursement Mode

| Disbursement Mode  | ADB         |             |             | EU          | IDA         | SIG        | SIWA      | Total      |
|--|-------------|-------------|-------------|-------------|-------------|------------|-----------|------------|
|  | Grant 0662  | Grant 0801  | Loan 3826   | Grant 0663  | Loan 6407   |            |           |            |
| Direct payments from donors/lenders                            | 5,763,911   | 955,314     | 9,969,393   | 1,242,766   | 2,184,538   | -          | -         | 20,115,921 |
| Payments through the project advance accounts                  | 1,509,468   | -           | -           |             | 181,616     | -          | -         | 1,691,085  |
| Payments made by SIWA to be reimbursed from the donors/lenders | 22,545      | -           | -           | 224,621     | -           | -          | -         | 247,166    |
| Others   | -           | -           | -           |             |             | 7,073,519  | 6,529,379 | 13,602,898 |
| Total Project Disbursements                                    | 7,295,924   | 955,314     | 9,969,393   | 1,467,387   | 2,366,154   | 7,073,519  | 6,529,379 | 35,657,069 |
| Capitalized interest   | -           | -           | 141,292     | -           | -           | -          | -         | 141,292    |
| Net interest income on advance account                         | -           | -           | -           | -           | (2,816)     | -          | -         | (2,816)    |
| Total  | 7,295,924   | 955,314     | 10,110,684  | 1,467,387   | 2,363,338   | 7,073,519  | 6,529,379 | 35,795,545 |
| Fund allocation  | 9,000,000   | 4,587,156   | 28,000,000  | 20,347,000  | 15,000,000  | 12,128,000 | 9,000,000 |            |
| Remaining fund allocation                                      | 1,704,076   | 3,631,842   | 17,889,316  | 18,879,613  | 12,636,662  | 5,054,481  | 2,470,621 |            |
| Effectivity date   | 23-Apr-2020 | 3-Feb-2022  | 23-Apr-2020 | 28-Apr-2023 | 23-Apr-2020 |            |           |            |
| Closing date   | 31-Dec-2028 | 31-Dec-2027 | 31-Dec-2028 | 31-Dec-2028 | 30-Jun-2027 |            |           |            |

### Project Disbursements by Output

| Output No. and Description  | ADB        |            |           | EU         | IDA       | SIG       | SIWA      | Total      |
|---|------------|------------|-----------|------------|-----------|-----------|-----------|------------|
|   | Grant 0662 | Grant 0801 | Loan 3826 | Grant 0663 | Loan 6407 |           |           |            |
| 1: Continuous, safe, and climate resilient urban water supply ensured                                     | 6,646,527  | 955,314    | 7,074,631 | -          | 2,366,154 | 7,073,519 | -         | 24,116,145 |
| 2: Urban sanitation services are effective, efficient, and safe in GHA                                    | -          | -          | 2,894,761 | -          | -         | -         | -         | 2,894,761  |
| 3: Enhanced and sustained awareness and behaviors of hygiene and water conservation in GHA and five towns | 117,100    | -          | -         | -          | -         | -         | -         | 117,100    |
| 4: SIWA is financially and technically sustainable  | 532,297    | -          | -         | 1,467,387  | -         | -         | 6,529,379 | 8,529,063  |
| 5: Management of Honiara's drinking water source area strengthened to build resilience to climate change  | -          | -          | -         | -          | -         | -         | -         | -          |
|   | 7,295,924  | 955,314    | 9,969,393 | 1,467,387  | 2,366,154 | 7,073,519 | 6,529,379 | 35,657,069 |

### Project Disbursements by Cost Category

| Cost Category                            | ADB        |            |           | EU         |           | IDA       |   | SIG       | SIWA       | Total      | Budget |
|--|------------|------------|-----------|------------|-----------|-----------|---|-----------|------------|------------|--------|
|  | Grant 0662 | Grant 0801 | Loan 3826 | Grant 0663 | Loan 6407 |           |   |           |            |            |        |
| 1: Civil works, materials, and equipment | 3,337,751  | -          | 9,969,393 | -          | 2,366,154 | -         | - | -         | 15,673,298 | 61,254,000 |        |
| 2: Consultancy services                  | 3,958,173  | 955,314    | -         | 1,467,387  | -         | -         | - | 1,511,315 | 7,892,188  | 15,268,000 |        |
| 3: Project visibility                    | -          | -          | -         | -          | -         | -         | - | -         | -          | -          |        |
| 4: Taxes and duties                      | -          | -          | -         | -          | -         | 7,073,519 | - | -         | 7,073,519  | 12,128,000 |        |
| 5: Contingencies                         | -          | -          | -         | -          | -         | -         | - | 5,018,064 | 5,018,064  | 8,237,000  |        |
|  | 7,295,924  | 955,314    | 9,969,393 | 1,467,387  | 2,366,154 | 7,073,519 | - | 6,529,379 | 35,657,069 | 96,887,000 |        |



## **Annex 4: SW UWSSSP Cost Estimates**

(as of 22<sup>nd</sup> March 2024)

Annex 4.1 UWSSSP Lower Bound Cost Estimate

Annex 4.2 UWSSSP Upper Bound Cost Estimate

**Source:** Asian Development Bank



**Annex 4.1 UWSSSP Lower Bound Cost Estimate  
(22 March 2024)**

| Output | Description   | Cost Estimate (US\$) | Notes   |
|--------|---|----------------------|---|
| 1      | Augmentation and rehabilitation of Kongulai water treatment plant.  | 24,000,000           | Revised estimate - 2021 Eng Est (\$19.6 million) escalated by 120%.   |
| 1      | Honiara Water Supply Trunk Mains Upgrade  | 7,786,883            | Actual contract price (PEP).  |
| 1      | Honiara Water Supply Reservoirs   | 7,105,695            | Actual contract price (PEP).  |
| 1      | Water Supply distribution mains expansion program   | 13,400,000           | October 2022 estimate by SMEC covering 10km of new water mains to informal Settlement Supplies in the Mt Austen, Noah Hill, and Nine Ridges areas. Note SMEC estimate on 20 March 2024 remains at \$13.4 million.   |
| 1      | Service connection/meter replacement program  | 5,000,000            | Budgetary provision. Water meter expenditure to date is US\$1,408,643 (comprising \$1,385,510.50 for 5,385 cashwater meters and \$23,132.78 for 400 conventional water meters). Updated estimate allows for new 14,000 meters including new services pipework (@\$150/conn). Assumes all existing prepayment meters scrapped.       |
| 1      | Leak detection and repair program including installation of PRVs and / or pressure break tanks, and mains renewal program | 11,000,000           | Increased allocation agreed on 15 May 2023 to address NRW. Further investments of potentially \$20 million will be made to target NRW reduction if additional financing is secured. SMEC September 2023 cost estimate for replacement of 10km of watermain is \$8.9m. Note SMEC estimate on 20 March 2024 remains at \$8.9 million. |
| 1      | Gizo water supply scheme upgrade  | 11,659,091           | To be financed by Australia but delivered under the project as a counterpart contribution. The scope of the subproject may need to be reduced if the costs exceed the funding provided by Australia (tentatively A\$15 million).  |
| 1      | Noro Water Supply Scheme  | 5,900,000            | Contract as awarded - CCB Envico / Reeves - \$4.7 awarded. Likely final cost \$5.9 million with anticipated variations.   |
| 1      | Tulagi Water Supply Scheme  | 2,694,034            | Estimate provided by SW (16 May 2023). Will only proceed if sufficient additional financing is secured.   |
| 1      | Munda Water Supply Scheme   | 6,480,682            | Will only proceed if sufficient additional financing is secured. Subject to further groundwater investigation.  |
| 1      | Auki Water Supply Scheme  | 2,492,284            | Actual contract price – Reeves (A\$3,948,431.78). Contract closed.  |
| 1      | Water Supply Network Modelling  | 319,277              | Actual Contract - SAEGE   |
| 1      | Vehicles (pick-up trucks for works supervision)   | 42,500               | Actual cost - Ela Motors  |
| 1      | Wheeled Excavator   | 70,898               | Actual cost - United Auto   |
| 2      | Reconfiguration of the Honiara sewerage system - NRH.   | 19,759,091           | Will only proceed if sufficient additional financing is secured.  |
| 2      | Sewer Works Ranadi Road to Goodwood Outfall   | 6,544,067            | Actual contract price (PEP). Anticipated VO of \$2 million.   |
| 2      | Sewer works Kukum Hwy (Fisheries to Ranadi Roundabout).   | 8,561,000            | Financed by SW (SIG grant)  |

| Output | Description   | Cost Estimate (US\$) | Notes  |
|--------|---|----------------------|--|
| 2      | Reconfiguration of the Honiara sewerage system - Ranadi.        | 14,943,281           | SAFEGE October 2021 estimate escalated by 125% to account for cost escalation arising from for COVID-19 impacts and international inflation. |
| 2      | Sewerage rehabilitation and expansion                           | 3,400,000            | Will only proceed if sufficient additional financing is secured. Note SMEC estimate on 20 March 2024 remains at \$3.4 million.               |
| 2      | Septage Treatment Plant   | 2,564,238            | Will only proceed if sufficient additional financing is secured. Lowest priority subproject. Key investment for Dev Partners                 |
| 2      | Fecal Sludge Management Strategy (Part 1)                       | 64,459               | Actual Contract - D. Robbins. Contract closed.   |
| 2      | Fecal Sludge Management Strategy (Part 2)                       | 92,340               | Actual Contract - D. Robbins. Key component for Development Partners.  |
| 2      | Rapid Technical assessment for sanitation and desludging in GHA | 41,456               | Actual Contract -Pacific Health Research and Consultancy Service. Contract closed.   |
| 3      | Hygiene awareness program - WASH in Schools (WINS)              | 1,000,000            | Acquiring proposals.   |
| 3      | WASH Survey   | 71,707               | Actual contract - Pacific Health Research and Consultancy Services. Contract closed.   |
| 3      | WASH Survey Equipment   | 3,937                | Blu Distributors. Contract closed.   |
| 3      | Hygiene Promotion Project                                       | 807,980              | Actual Contract - Plan International Australia. Contract closed.   |
| 4      | FMIS Data management - Project Management                       | 28,518               | Actual Contract - Deloitte PNG. Contract closed.   |
| 4      | Data management - ERP   | 736,580              | Contract awarded to Pronto Software. Includes variations to date.  |
| 4      | Data management - SCADA   | 2,000,000            | Will only proceed if sufficient additional financing is secured.   |
| 4      | PMU Head (D. Boggs)   | 86,511               | Actual Contract cost. Contract closed.   |
| 4      | PMU Head (R. Farrell)   | 458,753              | Actual Contract cost. Contract closed.   |
| 4      | PMU Head (J. Hughes)  | 672,000              | Actual Contract - J. Hughes  |
| 4      | Project Management Specialist                                   | 676,310              | Actual Contract - Adam Searancke. Contract closed.   |
| 4      | PMU Contracts Engineer/ Manager                                 | 746,072              | Actual Contract - Adam Winter.   |
| 4      | Project Management Specialist No.2                              | 430,200              | Actual Contract - N. Deacon  |
| 4      | Project Management Specialist No.3                              | 404,650              | Actual Contract - M. Furedi  |
| 4      | Project Management Specialist No.4                              | 258,000              | Actual Contract - A. Fraser  |
| 4      | Disputes Specialist   | 100,000              | Dial before you dispute.   |
| 4      | PMU Environmental Specialist                                    | 218,700              | Actual Contract - Tim Wrigley  |
| 4      | Social Safeguards Specialist                                    | 233,280              | Actual Contract - Wendy Lee  |
| 4      | WASH Specialist   | 233,280              | Actual Contract - Ken Marshall   |
| 4      | Communications Specialist                                       | 49,554               | Actual Contract - Suzanne Taylor. Contract closed.   |
| 4      | Project monitoring and evaluation                               | 218,700              | Actual Contract - Priya Chattier   |
| 4      | PMU Transition Advisor  | 123,200              | Actual Contract - Mark Waite.  |
| 4      | Structural Engineering Advisor                                  | 144,600              | Actual Contract - Konrad Lober   |
| 4      | Design and documentation - Phase 1                              | 1,644,710            | Final contract cost - Safege SAS.  |
| 4      | Design and documentation - Phase 2.                             | 2,795,356            | Actual Contract - SMEC International plus proposed variations for additional site investigations for Gizo and Munda.                         |
| 4      | Corporate policies, institutional reform                        | 0                    | Counterpart funded   |
| 4      | Vehicles (pick-up trucks for PMU)                               | 37,177               | Actual cost - Ela Motors. Contract closed.   |

| Output | Description  | Cost Estimate (US\$) | Notes  |
|--------|--|----------------------|--|
| 4      | Vehicles (PMU, second lot)                           | 118,541              | Actual cost - Ela Motors. Contract closed.                     |
| 5      | Watershed Protection                                 | 1,483,426            | Balance of uncommitted GEF Grant funds.                        |
| 5      | Catchment Management Specialist                      | 214,044              | Actual cost - Bernhardt Mohns. Contract closed.                |
| 5      | Catchment Hydrologic and Water Quality Modelling     | 311,444              | Actual cost - University of Queensland. Contract closed.       |
| 5      | Catchment Hydrologic and Water Quality Modelling (2) | 290,650              | Actual cost - Fluvio Pty Ltd                                   |
| 5      | Catchment Management and PES                         | 1,286,206            | Actual cost - The Nakau Programme Pty Ltd                      |
|        | Financing Charges                                    | 1,042,000            | ADB COL loan capitalized interest and EU grant management fee. |
|        | <b>TOTAL</b>   | <b>172,847,363</b>   |  |

Note: EXCLUDES taxes and duties and land acquisition costs.

Source: Asian Development Bank

**Annex 4.2 UWSSSP Upper Bound Cost Estimate  
(22 March 2024)**

| Output | Description   | Cost Estimate (US\$) | Notes   |
|--------|---|----------------------|---|
| 1      | Augmentation and rehabilitation of Kongulai water treatment plant.  | 30,000,000           | Revised estimate - 2021 Eng Est (\$19.6 million) escalated by 150%  |
| 1      | Honiara Water Supply Trunk Mains Upgrade  | 10,786,883           | Actual contract price (PEP). Additional projected costs by PMU.   |
| 1      | Honiara Water Supply Reservoirs   | 9,405,695            | Actual contract price (PEP). Additional projected costs by PMU.   |
| 1      | Water Supply distribution mains expansion program   | 20,000,000           | October 2022 estimate by SMEC covering 10km of new water mains to informal Settlement Supplies in the Mt Austen, Noah Hill, and Nine Ridges areas. Note SMEC estimate on 20 March 2024 remains at \$13.4 million. New estimate provided by PMU - preliminary estimate not based on design.  |
| 1      | Service connection/meter replacement program  | 5,000,000            | Budgetary provision. Water meter expenditure to date is US\$1,408,643 (comprising \$1,385,510.50 for 5,385 cashwater meters and \$23,132.78 for 400 conventional water meters). Updated estimate for 14,000 meters including new service connection pipework (@\$150/conn). Assumes all existing prepayment meters scrapped.        |
| 1      | Leak detection and repair program including installation of PRVs and / or pressure break tanks, and mains renewal program | 11,000,000           | Increased allocation agreed on 15 May 2023 to address NRW. Further investments of potentially \$20 million will be made to target NRW reduction if additional financing is secured. SMEC September 2023 cost estimate for replacement of 10km of watermain is \$8.9m. Note SMEC estimate on 20 March 2024 remains at \$8.9 million. |
| 1      | Gizo water supply scheme upgrade  | 11,659,091           | To be financed by Australia but delivered under the project as a counterpart contribution. The scope of the subproject may need to be reduced if the costs exceed the funding provided by Australia (tentatively A\$15 million).  |
| 1      | Noro Water Supply Scheme  | 5,900,000            | Contract as awarded - CCB Envico / Reeves - \$4.7 awarded. Likely final cost \$5.9 million with anticipated variations.   |
| 1      | Tulagi Water Supply Scheme  | 2,694,034            | Estimate provided by SW (16 May 2023). Will only proceed if sufficient additional financing is secured.   |
| 1      | Munda Water Supply Scheme   | 6,480,682            | Will only proceed if sufficient additional financing is secured. Subject to further groundwater investigation.  |
| 1      | Auki Water Supply Scheme  | 2,492,284            | Actual Contract price - Reeves. Contract closed.  |
| 1      | Water Supply Network Modelling  | 319,277              | Actual Contract – SAEGE. Contract closed  |
| 1      | Vehicles (pick-up trucks for works supervision)   | 42,500               | Actual cost - Ela Motors. Contract closed   |
| 1      | Wheeled Excavator   | 70,898               | Actual cost - United Auto. Contract closed  |
| 2      | Reconfiguration of the Honiara sewerage system - NRH.   | 19,759,091           | Will only proceed if sufficient additional financing is secured.  |
| 2      | Sewer Works Ranadi Road to Goodwood Outfall   | 8,044,067            | Actual contract price (PEP). Anticipated VOs of \$2 million.  |

| Output | Description   | Cost Estimate (US\$) | Notes   |
|--------|---|----------------------|---|
| 2      | Sewer works Kukum Hwy (Fisheries to Ranadi Roundabout).         | 8,961,000            | Financed by SW (SIG grant)  |
| 2      | Reconfiguration of the Honiara sewerage system - Ranadi.        | 19,426,266           | SAFEGE October 2021 estimate escalated by 163% to account cost escalation arising from for COVID-19 impacts and international inflation.      |
| 2      | Sewerage rehabilitation and expansion                           | 3,400,000            | Will only proceed if sufficient additional financing is secured. Note SMEC estimate on 20 March 2024 remains at \$3.4 million.                |
| 2      | Septage Treatment Plant   | 2,564,238            | Will only proceed if sufficient additional financing is secured. Lowest priority subproject. Key investment for Development Partners          |
| 2      | Fecal Sludge Management Strategy (Part 1)                       | 64,459               | Actual Contract amount- D. Robbins. Contract closed   |
| 2      | Fecal Sludge Management Strategy (Part 2)                       | 92,340               | Actual Contract amount - D. Robbins.Key component to Dev Partners.  |
| 2      | Rapid Technical assessment for sanitation and desludging in GHA | 41,456               | Actual Contract amount -Pacific Health Research and Consultancy Service. Contract closed.   |
| 3      | Hygiene awareness program - WASH in Schools (WINS)              | 1,000,000            | Acquiring proposals.  |
| 3      | WASH Survey   | 71,707               | Actual Contract amount - Pacific Health Research and Consultancy Services. Contract closed  |
| 3      | WASH Survey Equipment   | 3,937                | Actual Contract amount - Blu Distributors. Contract closed  |
| 3      | Hygiene Promotion Project                                       | 807,980              | Actual Contract amount - Plan International Australia. Contract closed.   |
| 4      | FMIS Data management - Project Management                       | 28,518               | Actual Contract amount - Deloitte PNG. Contract closed.   |
| 4      | Data management - ERP   | 736,580              | Actual Contract price including variations to date - Pronto Software.   |
| 4      | Data management - SCADA   | 3,900,000            | Will only proceed if sufficient additional financing is secured. PMU estimates that the cost will increase from \$2 million to \$3.9 million. |
| 4      | PMU Head (D. Boggs)   | 86,511               | Actual Contract cost at end of service.   |
| 4      | PMU Head (R. Farrell)   | 458,753              | Actual Contract at end of service.  |
| 4      | PMU Head (J. Hughes)  | 672,000              | Actual Contract - J. Hughes   |
| 4      | Project Management Specialist                                   | 676,310              | Actual Contract at end of service - Adam Searancke.   |
| 4      | PMU Contracts Engineer/ Manager                                 | 746,072              | Actual Contract - Adam Winter.  |
| 4      | Project Management Specialist No.2                              | 430,200              | Actual Contract - N. Deacon   |
| 4      | Project Management Specialist No.3                              | 404,650              | Actual Contract - M. Furedi   |
| 4      | Project Management Specialist No.4                              | 258,000              | Actual Contract - A. Fraser   |
| 4      | Disputes Specialist   | 100,000              | Actual Contract - Dial before you dispute.  |
| 4      | PMU Environmental Specialist                                    | 218,700              | Actual Contract - Tim Wrigley   |
| 4      | Social Safeguards Specialist                                    | 233,280              | Actual Contract - Wendy Lee   |
| 4      | WASH Specialist   | 233,280              | Actual Contract - Ken Marshall  |
| 4      | Communications Specialist                                       | 49,554               | Actual Contract - Suzanne Taylor  |
| 4      | Project monitoring and evaluation                               | 218,700              | Actual Contract - Priya Chattier  |
| 4      | PMU Transition Advisor  | 123,200              | Actual Contract - Mark Waite.   |
| 4      | Structural Engineering Advior                                   | 144,600              | Actual Contract - Konrad Lober  |

| Output | Description  | Cost Estimate (US\$) | Notes  |
|--------|--|----------------------|--|
| 4      | Design and documentation - Phase 1                   | 1,644,710            | Final contract cost - Safege SAS.  |
| 4      | Design and documentation - Phase 2.                  | 2,795,356            | Actual Contract - SMEC International including variations for additional site investigations for Gizo and Munda. |
| 4      | Corporate policies, institutional reform             | 0                    | Counterpart funded   |
| 4      | Vehicles (pick-up trucks for PMU)                    | 37,177               | Actual cost - Ela Motors   |
| 4      | Vehicles (PMU, second lot)                           | 118,541              | Actual cost - Ela Motors   |
| 5      | Watershed Protection                                 | 1,483,426            | Uncommitted GEF grant funds.   |
| 5      | Catchment Management Specialist                      | 214,044              | Actual cost - Bernhardt Mohns  |
| 5      | Catchment Hydrologic and Water Quality Modelling     | 311,444              | Actual cost - University of Queensland   |
| 5      | Catchment Hydrologic and Water Quality Modelling (2) | 290,650              | Actual cost - Fluvio Pty Ltd   |
| 5      | Catchment Management and PES                         | 1,286,206            | Actual cost - The Nakau Programme Pty Ltd  |
|        | Financing Charges                                    | 1,042,000            | ADB COL loan capitalized interest and EU grant management fee.   |
|        | <b>TOTAL</b>   | <b>199,030,348</b>   |  |

Note: EXCLUDES taxes and duties and land acquisition costs.

Source: Asian Development Bank

## **Annex 5: WaSH WSSVCP Final Report**

*Solomon Water - Water Supply and Sanitation for Vulnerable Communities Project  
(DFAT SW – WSSVCP) Final Report (Feb 2024)*



Solomon Water - Water Supply and Sanitation for Vulnerable  
Communities Project

DFAT SW – WSSVCP  
(April 2021 to December 2023)

Final Report

February 2024

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## Annexes

Annex 1 – M&E Matrix

Annex 2 – Risk Matrix

## 1. Introduction

The SW-WSSVCP (the project) worked in Honiara, Auki, Tulagi, Noro, and Gizo, and includes two interlinked **broad goals**:

- Urban communities in the Solomon Islands are less vulnerable because they have improved water security and improved hygiene knowledge and practices, and
- Solomon Water is more sustainable due to increased customer base and improved customer relations.



*Map 1 – SW-WSSVCP Project Locations*

The project aligns with DFATs strategic objectives for the Solomon Islands and will contribute to:

- achieving **stability** by improving the living conditions of vulnerable households in and around Honiara and selected Provincial towns;
- supporting men and women to be more able to participate in the **economy** by reducing time needs for water collection and household hygiene and ensuring water is available for small scale agriculture, and generating employment in settler communities as people are employed casually for trench digging, operation of the proposed public toilet facilities and other tasks;
- supporting vulnerable households to improve their **health status** through the use of safe clean water for drinking and other household uses and improving hygiene behaviour leading to reduced water and air related illness.

The project aims to achieve this by:

- increasing water availability and the use of effective sanitation (toilets and handwashing) for vulnerable households,
- increasing pandemic preparedness through improved hygiene practices and availability of WASH facilities,
- improving the financial sustainability of Solomon Water by increasing its customer base and its ability to engage vulnerable households,
- reducing water loss (non-revenue water - NRW) through providing water connections to areas with a high proportion of illegal connections,
- improving water quality and supply security through upgrades and fencing to 3 water intakes, and
- providing casual employment in various settler communities.

As shown in figure 1 below, the project includes four interlinked components that are being implemented through a range of modalities including by Solomon Water core staff, by local construction contractors, by casual employment of labourers from the areas being served and by local (or international) non-government organisations.

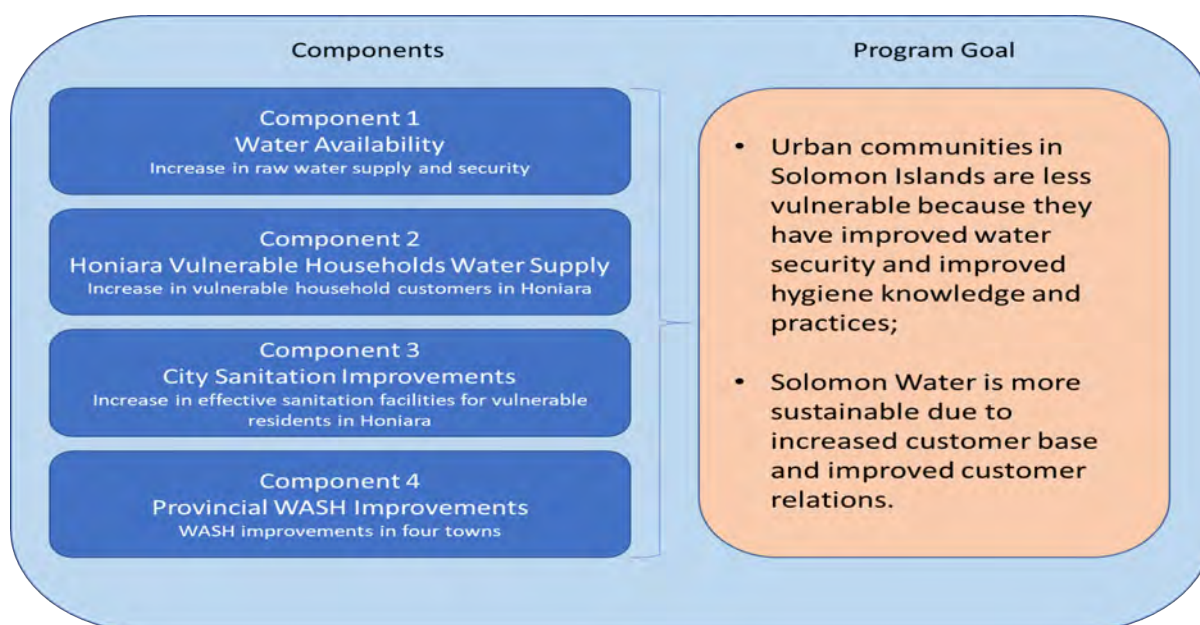


Figure 1 - SW-WSSVCP Framework

## 2. Component Progress

### 2.1 Component 1 - Water Availability (COMPLETE)

#### 2.1.1 Description

This component includes source improvements, upgrades, augmentation (boreholes), water storage, and critical fencing to protect both water quality and availability.

This group of activities are an essential part of SW's Water Safety Plan improvements as well as expansion plans and will ensure that both new and existing customers can rely on having a reliable supply of potable water for an increasing number of hours per day.

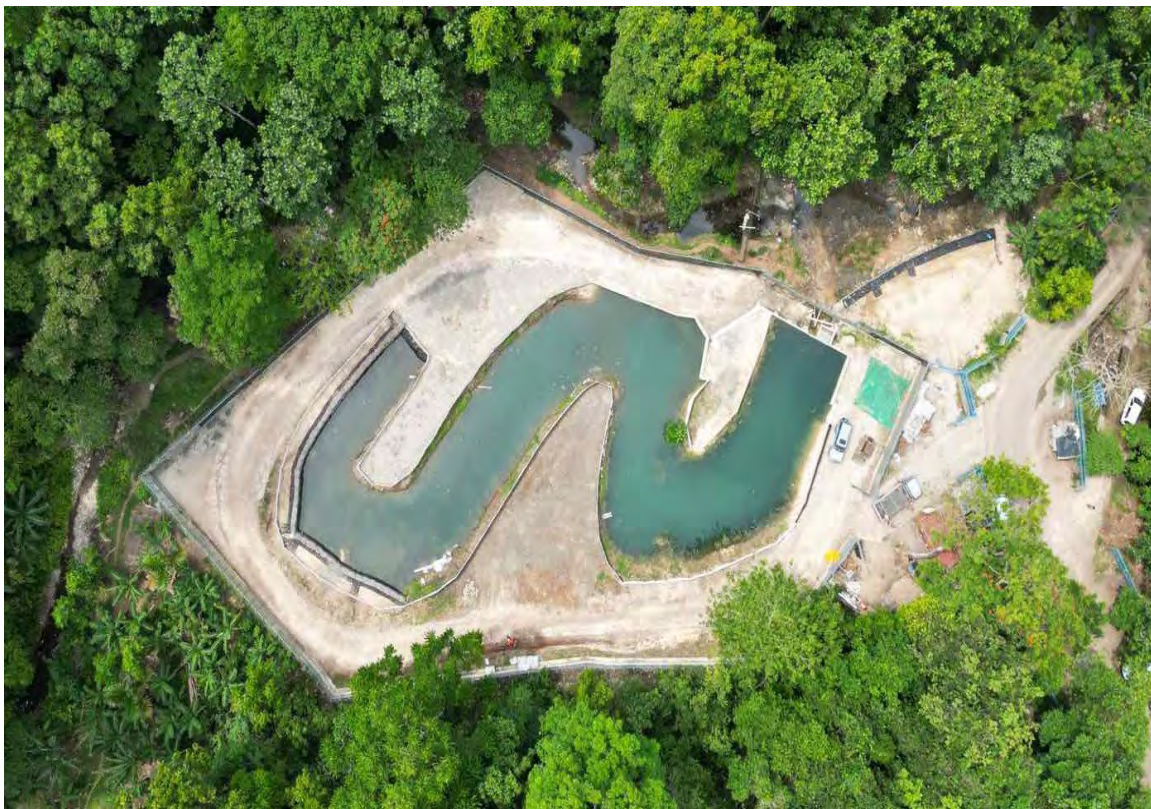
Component 1 target intermediate outcomes were:

- New boreholes in Panatina to increase water availability and security,
- Increased water availability and security in the Rove and Pt Cruz area of Honiara, and
- Increased water availability and security in Auki.

#### 2.1.2 Achievements

The water availability component is complete with an additional **2.111MLD**. Key achievements include (See M&E Matrix Annex 1):

Honiara - Rove source is now fully operational and secured with an average yield of **1.9MLD** compared to previous average yield of **1.709MLD**, an increase of **191,000 litres per day** (see photos 1 and 2 below). SW is still planning to increase the yield through the construction of an additional intake line.



*Photo 1 - Drone shot of completed Rove Source*



*Photo 2 - Rove source completed works*

Auki - Kwaibala source is now operational and secured with an average yield of **1.2MLD** compared to a previous average of **0.88MLD**, an additional **320,000 litres per day** (see photo's 3 and 4 below). This source can produce a higher yield if additional storage is supplied.



*Photo 3 Kwaibala Source Auki*



*Photo 4 Kwaibala Source Auki*

Honiara – The two new boreholes at Panatina are fully operational and producing **1.6MLD**. The boreholes can produce more if additional storage is added.

### 2.1.3 Risks

Key risks included that any new boreholes would not have sufficient capacity and that upgrading works on the existing sources would not result in sustained increased water production. These risks did not materialise.

## 2.2 Component 2 – Vulnerable Households Water Supply (COMPLETE)

### 2.2.1 Description

This component involved the construction of new water mains and reticulation lines, and the installation of new household level water connections to customers who currently use poor quality surface water for their household needs.

This component was an essential part of future pandemic responses and ensures far greater accessibility to clean water for vulnerable residents.

Component 2 target intermediate outcomes were:

- Extension of water supply to selected vulnerable communities in Honiara,

### 2.2.2 Achievements:

Component 2 aimed to provide new water connections for 2620 households in 13 different settlements.

The component is complete and has provided new connections for 3,172 households in the selected settlements. This has included the installation of 66 km of new pipelines providing connections for approximately 22,204 people (average of 7 people per household). This exceeds the planned figure of 2620 and is due to much higher demand than expected and the necessity to ensure those that wanted connections got them, and so avoid any conflict between households. Due to unresolved landowner issues, it was not possible to install household connections in Independence Valley.

Overall customer connections and pipe laying status of each project site is provided in Table 1 below.

| Settlement          | Target          | April - June 2021 | July - Sept 2021 | Oct - Dec 2021 | Jan - March 2022 | Apr - Jun 2022 | Jul - Sept 2022 | Oct - Dec 2022 | Total       |               |
|---------------------|-----------------|-------------------|------------------|----------------|------------------|----------------|-----------------|----------------|-------------|---------------|
|                     | New Connections |                   |                  |                |                  |                |                 |                | New         | Pipe Laid     |
| Kombito 1           | 215             | 446               | 386              | 20             |                  |                |                 |                | 852         | 24.850        |
| Kombito 2           |                 |                   |                  |                |                  |                |                 |                |             |               |
| Kombito 3           |                 |                   |                  |                |                  |                |                 |                |             |               |
| Independence Valley | 27              |                   |                  |                |                  |                |                 |                | 0           | 0.290         |
| Mamulele            | 55              |                   |                  |                | 126              | 91             |                 |                | 217         | 6.001         |
| Green Valley        | 57              |                   |                  |                | 308              |                |                 |                | 308         | 7.632         |
| Lunga               | 201             |                   |                  |                |                  |                |                 |                | 0           | 4.877         |
| Burns Creek         | 745             |                   |                  |                |                  | 600            | 308             | 294            | 1202        | 15.490        |
| Henderson           | 913             |                   |                  |                |                  |                |                 |                | 0           | 2.435         |
| Gilbert Camp        | 55              |                   |                  |                |                  |                |                 |                | 0           | -             |
| Ikavo               | 96              |                   |                  |                |                  |                |                 |                | 0           | -             |
| Koa Hill            | 175             |                   |                  |                |                  | 307            |                 |                | 307         | 0.852         |
| Namoruka            | 81              |                   |                  |                | 100              | 186            |                 |                | 286         | 3.609         |
| <b>Total</b>        | <b>2620</b>     | <b>446</b>        | <b>386</b>       | <b>20</b>      | <b>534</b>       | <b>1184</b>    | <b>308</b>      | <b>294</b>     | <b>3172</b> | <b>66.036</b> |

Table 1 - New Connections in Vulnerable Settlements

### 2.2.3 Risks

Key risks to this component included having insufficient water to supply the increased customer base, the rising cost of materials, plant, and labour, and an increase in illegal connections to the newly installed pipelines. Whilst some risks did materialise, particularly the rising costs of materials, these were managed through changes to the scope of the project and the reallocation of funds from one component to another. The increase in water production through component 1 mitigated the risk of insufficient water to supply new customers.

## 2.3 Component 3 – City Sanitation Improvements (CANCELLED)

### 2.3.1 Description

The proposed “female friendly” Public WASH Facility was intended to include access for people with disabilities and to support menstrual hygiene management.

Component 3 target intermediate outcome was:

- Construction of one new Public WASH Amenity block in Honiara that services vulnerable residents.

### 2.3.2 Progress to Date

This component was intended as a partnership with the Honiara City Council (HCC) and Guadalcanal Province (GP).

The facility has been designed and final design documents shared with DFAT. Discussions are ongoing with HCC in relation to us sharing the WASH Facility designs with them in the hope they may be useful in the future.

It is well known that the poorest people in the city pay the most for water. The proposed “female friendly” Public WASH Facility was designed to fill several objectives (see figure 2 below):

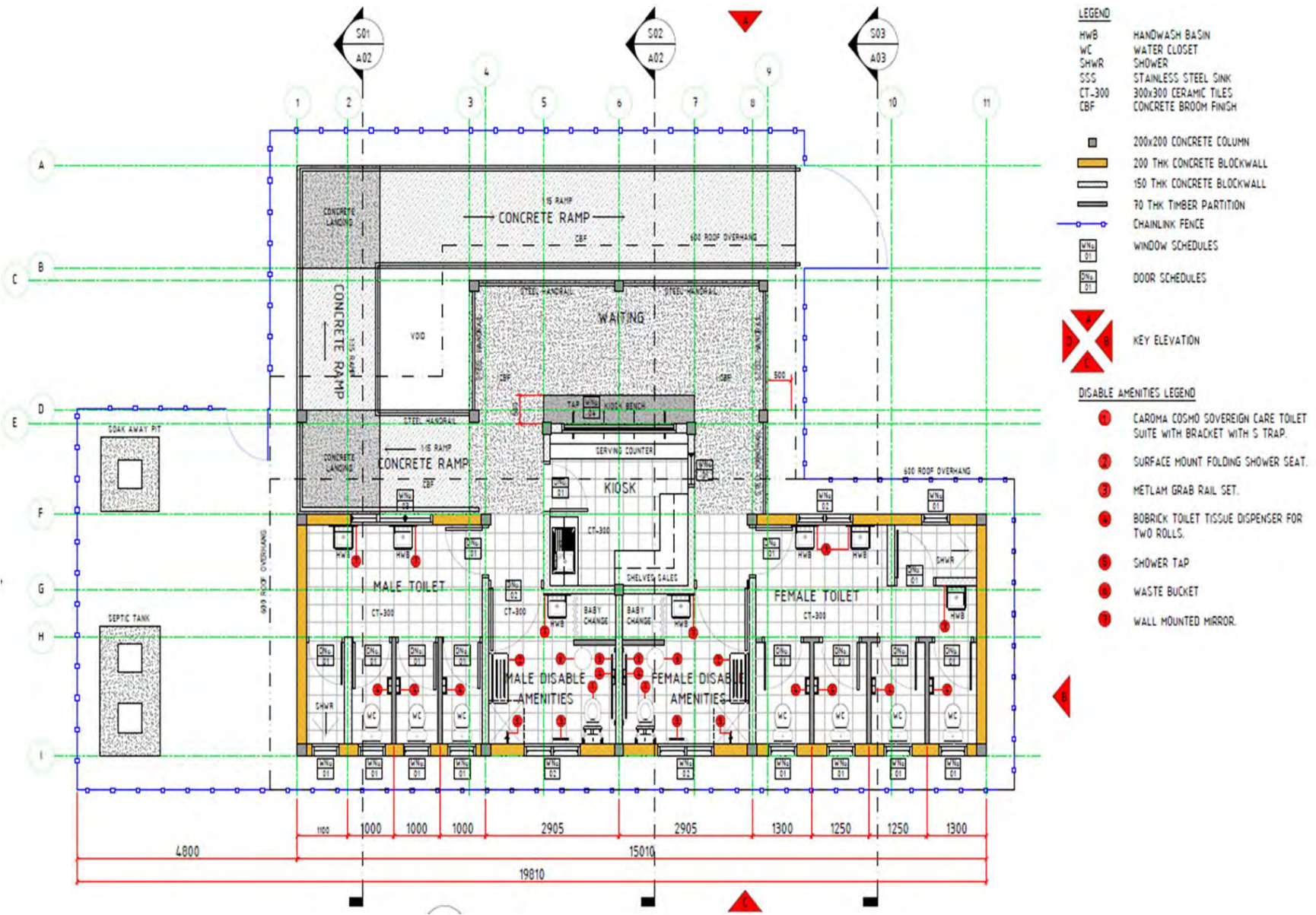
- Be strategically located to service areas (settlements) where water supply and sanitation services are currently poor.

- Include access for people with disabilities.
- To support menstrual hygiene management.
- To help to reduce open defecation in and around the city.
- To incorporate a water kiosk component to allow people who currently have no access to household connections to purchase it at affordable rates.

WASH Amenity block design criteria included:

- Safety and privacy,
- Separate female and male sections,
- Located in safe well-lit areas,
- Well-lit on the inside using natural light where possible,
- Doors lockable from the inside,
- Cater for menstrual hygiene mgt including:
  - water and soap in each block,
  - water access inside cubicles,
  - include affordable menstrual products, and
  - hooks and ledges to keep clothes off the floor,
- At least one cubicle per section accessible for people with disabilities,
- Unobstructed accessible path to the block,
- Affordable and available when needed,
- More female cubicles than male,
- Well maintained and cleaned.

Figure 2 - Floorplan of WASH Facility



As agreed with DFAT, and to help address budgetary challenges in other components, and due to a lack of a suitable location being identified by HCC or GP, it was agreed to cancel this component.

### 2.3.3 Risks

Risks to this component included the lack of appropriate land for a new facility and the level of commitment from GP and or HCC. These risks were realised and, along with the need to make funding adjustments to the project, have led to the cancellation of the component.

## 2.4 Component 4 – Provincial WASH Improvements (COMPLETE)

### 2.4.1 Description

Component 4 is working in the Provincial towns of Auki, Tulagi, Noro and Gizo and partnering with Provincial Governments, the RWASH Project, the Ministry of Health and Medical Services, and local NGOs to improve critical WASH knowledge and services.

Component 4 Intermediate Outcomes are:

- Identifying locations that are at high risk for becoming disease transmission hotspots and improving or constructing critical WASH facilities.
- Improving the knowledge of effective sanitation practices and supporting households to improve their own sanitation status.

### 2.4.2 Progress to Date

WASH assessments were completed for each town and detailed planned improvements in four areas:

- Water supply
- WASH in high-risk settings
- Sanitation improvements (household toilets)
- Hygiene promotion

#### 2.4.2.1 Water Supply and WASH in High-Risk Settings

Water supply improvements and high-risk location WASH improvements have been implemented by local contractors in Gizo, Noro, Tulaghi, and Auki.

### **Gizo**

The situation in Gizo is different to the other three towns in that Solomon Water does not have an office in Gizo or any water supply responsibilities. However, water is scarce, and residents rely on rainwater and a few springs located around town.

Because of this, water supply improvements were prioritised for Gizo, given that the other three towns have an existing water supply with an existing program of works. Gizo water supply improvements and high-risk WASH improvements work has included five packages.

- Package (1) covers Improvements on the Leoko Pipeline
- Package (2) covers Malakerava 1 Spring Box Upgrades
- Package (3) covers Rainwater Tanks at the Gizo Medical Centre

- Package (4) covers Gizo Primary and Community High School Water Supply
- Package (5) covers Church Handwashing Systems.

#### Package 1 Leoko Pipeline

It was planned to use the Leoko pipeline to supply water to villages along the coast of Gizo Island and to the Gizo Pump Station storage tank. The condition of the existing pipeline was poor with various blockages and a lack of appropriate air release valves and wash outs. The pipeline has now been improved from the source to the pump station and water is now entering the pump station tank through the Leoko pipeline and is available through the new wash house taps. Currently the pipeline provides water to the communities along the line, as well as fills the Gizo tank (175,000 litres) overnight.



*Photo 5 - Leoko Pipeline*

## Package 2 Malakerava Spring Boxes and Community Standpipes

Improvements to the Malakerava spring boxes have been completed and standpipes renovated.



*Photo 6 - Malakerava Community Standpipes*

## Package 3 Rainwater Tanks at Gizo Medical Centre

Package included the installation of two new rainwater tanks and the diversion of tank overflow to an existing underground water tank at the hospital.



*Photo 7 - Gizo Hospital WASH Improvements*

#### Package 4 Gizo Primary and Community High School Water Supply

The contract was awarded to a local contractor and construction has been completed. All connections to staff houses were installed with gate valves and the school maintenance team will be required to repair plumbing for each staff house and connect these lines into buildings. The system comprises two boreholes with pumps and two raised water tanks.



*Photo 8 - Two boreholes with new submersible pumps*



*Photo 9 - Two new elevated water tanks*

## Package 5 - Church Handwashing Systems

Package 5 has been completed and has included church handwashing systems in six churches. These systems consist of guttering and downpipes that feed a new rainwater tank, which is connected to a hand washing sink. These churches are:

- Seventh Day Adventist
- SSEC Church
- Anglican Church
- CFC Church
- Methodist Church
- Catholic Church



*Photo 10 - Church Rainwater / Handwashing Systems*

## Noro Town

The works in Noro included:

- Church handwashing systems
- Noro Primary School toilet repairs
- Noro Community High School rainwater tank

The project included the installation of seven handwashing systems at local **churches**. This included the following churches:

- Seventh Day Adventist Church
- COC Church
- Anglican Church
- Wesley United Church
- AOG Church
- Roman Catholic Church
- SSEC Church



*Photo 11 - Noro Church Handwashing Systems*

## Noro Primary School toilet repairs



*Photo 12 - New Toilet  
Noro Primary School*

Repairs and upgrades were made to the ablution block at the Noro Primary School. This included installation of new toilet cisterns, P traps, toilet pans, and toilet collars.

## Construction of Noro Community High School Rainwater Tank.

The project included the installation of an additional rainwater tank for the Noro Community High School. The tank was connected to the school toilet block.



*Photo 13 - Community High School Rainwater Tank and Guttering*

## Tulagi Town

**Tulagi Town** high risk WASH improvement works cover:

The project included the following:

- Church handwashing systems
- WASH facilities at McMahon Community High School
- Renovate toilets at the Tulagi main market
- Handwashing station at the main market

- Handwashing station at the Hospital
- Rehabilitate toilet block at McMahon Primary School

The project included the construction of handwashing systems at five churches:

- Wesley United Church
- SSEC Church
- Anglican Church
- SDA Church
- Catholic Church



*Photo 14 - Tulaghi Church Handwashing Systems*

## Improved WASH facilities at McMahon Community High School



*Photo 15 - McMahon CHS Handwashing System*

Renovated toilets at the western end of main market building including access ramp.



*Photo 16 - Renovated Toilets and New Access Ramp Tulaghi Market*

Installed handwashing station at the Tulagi main market building.



*Photo 17 - Handwashing Station Tulaghi Market*

Installed hand washing station at Tulagi Hospital



*Photo 18 - Handwashing Station at Tulaghi Hospital*

Rehabilitated old toilet block and installed hand washing basins at McMahon Primary School.



*Photo 19 - Rehabilitated Roof and New Handbasins McMahon Primary School*

## Auki Town

**Auki Town** high-risk WASH improvement work covers:

- Handwashing systems at six Churches
- Improve WASH facilities at Auki Community High School
- Improve WASH facilities at Auki Primary School
- Improve WASH facilities at Townend Community High School
- Rehabilitate old toilet block at Alota'a Community High School
- Improve WASH facilities at Sinasu Primary School
- Build rain catchment systems at the betel nut market
- Renovate the ablution block at the Christian Care Centre.

Handwashing systems have been constructed at six churches in Auki.



*Photo 20 - Auki Church Handwashing Systems*

Improved WASH facilities at the Auki Community High School



*Photo 21 - Hand basins at the student and staff toilet blocks*

Renovated toilet block at the Auki Primary School.



*Photo 22 - Auki Primary School Toilet Block*

Improved WASH facilities at the Townend Community High School including hand wash basins, a concrete tank stand, and new guttering.



*Photo 23 – WASH improvements at Townend CHS*

Alota'a Primary and Community High School improvements included the renovation of the old ablution block.



*Photo 24 - Alota'a Primary and Community High school toilet block renovation*

Sinasu WASH improvements included additional toilet cubicles for male and female toilets and additional hand washing basins, and rainwater catchment to feed water to the toilet block.



*Photo 25 - Sinasu toilet improvements*



*Photo 26 - Sinasu rainwater collection system*

WASH improvements at the Auki betel nut market included the installation of two 800g rainwater tanks on tank stands and guttering to collect water from the market buildings.



*Photo 27 - Auki betel nut market rainwater catchment*

Auki Christian Care Centre WASH work included the renovation of the downstairs ablution block.



*Photo 28 - Auki Christian Care Centre ablution block renovation*

#### 2.4.2.2 Sanitation Improvements

The Provincial Sanitation improvements were planned to be implemented by the Western, Central and Malaita Provincial Governments through their Environmental Health Divisions.

Due to budget limitations and operational challenges to ensuring the quality of construction, this activity was cancelled.

#### 2.4.2.3 Hygiene Promotion

The Provincial hygiene promotion activities have been implemented by the Provincial Government through the Provincial Health Promotion Units and Environmental Health Units in Gizo, Noro, Tulaghi and Auki and supported by the Solomon Water WASH team. To date hygiene promotion activities have been completed in all four towns (Gizo, Noro, Tulaghi, Auki).

Key messaging focused on using a proper toilet and hand washing at critical times. Campaign materials used included posters, the RWASH Hygiene Kit, SW WASH Z Cards, and Tee shirts. All activities were participatory and included discussion groups and feedback sessions as well as students putting up posters and getting prizes for answering questions. Hand washing demonstrations were conducted in

schools and churches by the team showing the proper way to do hand washing with soap and running water.



Photo 29 - RWASH Hygiene Kit



Photo 30 - UWSSSP WASH Z Card

The final hygiene promotion campaign was in Auki and was conducted from 2<sup>nd</sup> Oct - 15<sup>th</sup> Oct 2023. The campaign was conducted in the peri-urban communities, schools, churches, and markets in and around Auki. The campaign team consisted of the Auki Provincial HP & EHD staff, Solomon Water and SINU Year 3 practical students in Public Health.

One community leader from Kunu acknowledged and thanked Solomon water for this campaign saying it was the first of its kind to be conducted by Solomon water

since its establishment in Auki and it should be an ongoing activity for its Auki customers.

Importantly hygiene awareness should be an ongoing activity in all the provincial centres as well as Honiara, as a way forward in supporting SW customers.



*Photo 31 - Hygiene Awareness at Alota'a and Aligegeo Schools*



Photo 32 - Hygiene Awareness at Auki Catholic Church and Lilisiana

### 2.4.3 Risks

The escalating cost of materials, freight, and labour have had an impact on the scope of works possible, as has the availability of quality contractors.

It has been necessary to reduce the scope of works in each town to ensure sufficient funds are available.

Funds allocated for sanitation have been used to make up any shortfall in the funds available for water supply, WASH in high-risk settings, and hygiene promotion.

### 3. Budget and Expenditure

Table 2 below shows how the WSSVCP funding has been spent. The overspend of SBD 1,886 has been absorbed by SW.

| ITEM                                  | Budget            | Spent             | Balance        |
|---------------------------------------|-------------------|-------------------|----------------|
| C1. Water Availability                | 13,413,496        | 12,832,072        | 581,424        |
| C2. Vulnerable Households Connections | 11,505,081        | 13,993,829        | - 2,488,748    |
| C3. Citywide Sanitation               | 850,000           | 163,749           | 686,251        |
| C4. Provincial WASH Improvements      | 5,001,423         | 3,782,236         | 1,219,187      |
|                                       |                   |                   |                |
| <b>TOTAL</b>                          | <b>30,770,000</b> | <b>30,771,886</b> | <b>- 1,886</b> |

Table 2 VCWSSP Expenditure

**Component 1 – Water Availability** - Given the ongoing increase of the cost of both materials and services, and changes to this component, including the move to Panatina for the boreholes instead of Kombito, this component has cost SBD 12,832,072.

**Component 2 – Honiara Vulnerable Household Connections** – Given the ongoing increase of the cost of materials and services, and the greater than expected demand for connections, as well as the need to avoid causing conflict by giving some houses connections and not others, this component has now installed 3,172, more than the original figure of 2,620. This component is complete and has cost SBD 13,993,829.

**Component 3 - City Sanitation Improvements** included an allocation of SBD 850,000 to construct one WASH Facility. As discussed in previous reports this component was cancelled.

SW worked closely with ESW Architects to produce the design and construction drawings for the Facility, these are now complete and have been submitted to DFAT.

Costs incurred were SBD 163,749. This included both SW staff costs and fees paid to ESW Architects.

**Component 4 - Provincial WASH Improvements** - Component 4 includes the following activities:

1. Water supply improvements
2. High Risk Settings WASH improvements
3. Sanitation improvements (toilets)
4. Hygiene promotion

Activities have been completed in the four towns. Activity 3 was cancelled. Total cost of the component was SBD 3,782,236.

#### 4. Summary of Achievements

Whilst there have been a number of unprecedented challenges to the progress of the Project that have necessitated countless delays and the need for changes, there have been significant achievements. Figures 11 and 12 below summarises the achievements of the Project, achieved against a backdrop of covid and riots, both making working in communities and settlements particularly difficult.

Critical achievements include:

- two million litres of additional water available each day
- 3,172 new household water connections in informal settlement households
- 3,172 new Solomon Water customers
- **Potential** increased annual income of SBD 5m

Potential income is based on table 3 and an average monthly household water bill of SBD 265 or SBD 3,182 per year. If all households pay their bill, this will equate to an increase in annual income for SW of over SBD 10m.

| AMOUNT / COST                      | Ttl        | Unit   |
|------------------------------------|------------|--------|
| Average consumption per person/day | 200        | litres |
| Average number of people per house | 5          | people |
| Average water used per month       | 30,000     | litres |
| 15kl at SBD 9.17                   | 137        | SBD    |
| 5kl at SBD 14.44                   | 72         | SBD    |
| Tariff for consumption             | 209        | SBD    |
| Service Fee                        | 56         | SBD    |
| AVERAGE MONTHLY BILL (SBD)         | 265        | SBD    |
| Average annual bill per household  | 3,182      | SBD    |
| Total if 3,172 households          | 10,094,573 | SBD    |

Table 3 - Potential Income

Current SW recovery is in the region of 50%. If this level is achieved in the areas with the new connections this would mean an increase in income of approximately SBD 5m.

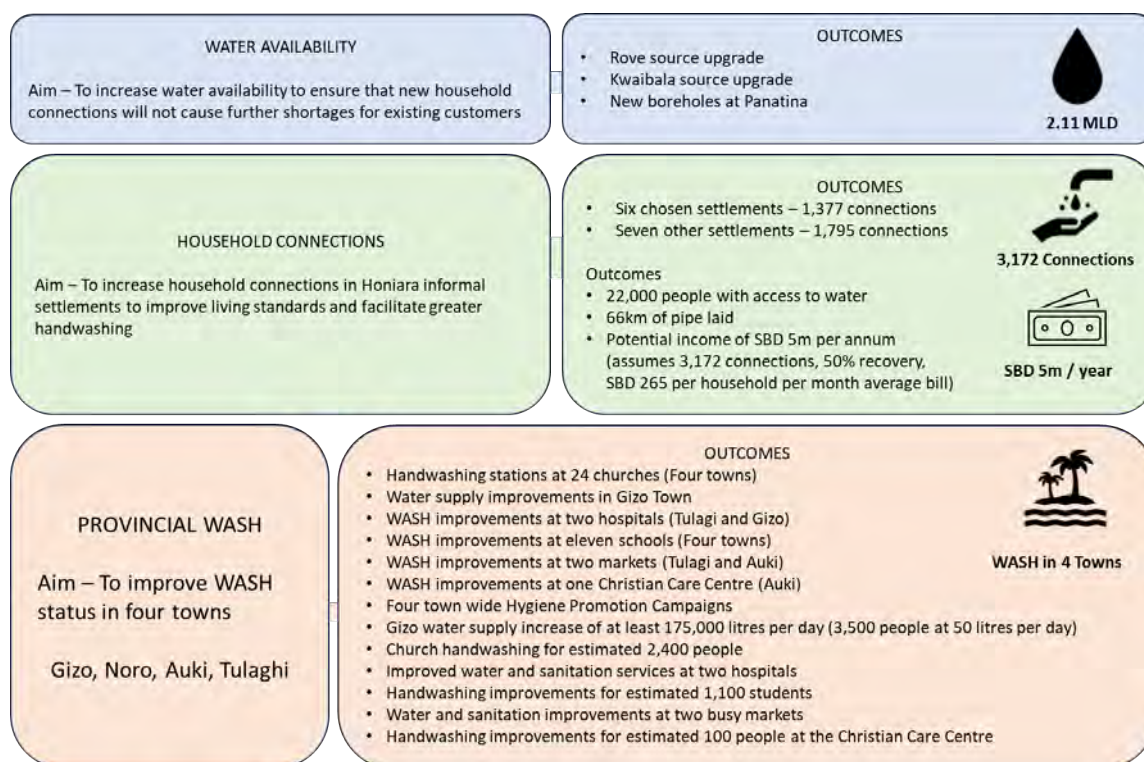


Figure 3 - Summary of Achievements

Other achievements include the extensive WASH work carried out in the four towns of Gizo, Noro, Tulagi, and Auki. This work has focussed on:

- improving access to piped water (particularly in Gizo)
- WASH improvements in two hospitals
- increasing hand washing facilities in high-risk settings (24 churches, 11 schools, 2 markets etc)
- supporting local staff to conduct four hygiene promotion campaigns that focussed on handwashing at critical times and on using an effective toilet (RWASH, Provincial Hygiene Promotion Units, and provincial Environmental Health).



Figure 4 - Summary of Provincial WASH Achievements

## Annex 1 – M&E Matrix

| Outcomes   |   | Indicator   | Data collection method & frequency  | Risks  | Who will collect and analyse the data | Baseline  | Target   | Progress   |
|--|---|---|---|--|---------------------------------------|---|--|--|
| Broader development objective  |   |   |   |  |                                       |   |  |  |
|  | Urban communities in Solomon Islands are less vulnerable because they have improved water security and improved hygiene knowledge and practices.  | Improved WASH status, including pandemic preparedness, of residents of Honiara, Auki, Tulagi, Noro, and Gizo.                               | SW Annual Reporting<br>Project Completion Report  | Cultural attitudes towards paying for water mean that customers do not pay their water accounts and so are disconnected. Households in settlements do not believe that effective sanitation is worthwhile investment and continue to use ineffective toilet facilities or to defecate in the open. | SW Management                         | Currently 80,000 residents of Honiara have access to clean water for 22 hours per day.<br><br>Vulnerable households do not have access to Public WASH Facilities close to home.   | 98,340 residents of Honiara have access to clean water for 22.5 hours per day.<br><br>Honiara vulnerable households have access to two new Public WASH Facilities<br><br>150 Vulnerable households in four Provincial towns have increased access to clean water and sanitation. |  |
|  | Solomon Water is more sustainable due to increased customer base and improved customer relations  | Total number of new customers.<br>Annual revenue.   | SW Monthly Reporting<br>Project Qtrly Reports   | Significant weather events cause supply disruptions to supply.<br>Poor uptake of new customers.  | SW Management                         | Number of existing customers is 13,500<br>Annual revenue is SBD 95m   | Total Customers - 16,270.<br>Revenue increases by SBD 2.4m due to new connected customers  |  |
| End-of-program   |   |   |   |  |                                       |   |  |  |
| Outcomes   | Outputs   | Indicator   | Data collection method & frequency  | Risks  | Who will collect and analyse the data | Baseline  | Target   | Progress   |
| The supply of clean water is improved in Honiara and Auki                          | <b>Water Availability</b> - Increased water availability for residents of Honiara and Auki  | The quantity of clean water available in Honiara and Auki<br>The number of water sources that are secure and protected in Honiara and Auki. | Water production figures to be collected monthly.<br>SW regular monthly reporting.<br>Project Qtrly Reports | Vandalism at sources.<br>Insufficient raw water available.<br>Significant weather events cause disruptions to supply.  | SW Technical staff.<br>SW Management  | Total current water production for Honiara is 32 MLD.<br>Current average hours per day of supply in Honiara is 22hrs.<br>Current water production from Kwaibala is 1.0 MLD.   | Honiara production is 33.3 MLD.<br>Honiara 22.5 hours per day.<br>Kwaibala 1.2 MLD   | Fencing for Rove completed<br>Rove weir upgrade completed<br>Kwaibala source upgrade works complete<br>Panatina boreholes complete<br>Rove now producing 1.9MLD<br>Kwaibala now producing 1.2MLD<br>Patanina now producing 1.6MLD  |
| More people have access to clean water   | <b>Vulnerable Households Water Supply</b> - Increased number of vulnerable households who have access to water and sanitation services  | The number of vulnerable households in Honiara who have access to clean water   | New customer records<br>SW Regular monthly reporting<br>Project Qtrly Reports                               | Poor uptake of new connections.<br>Insufficient raw water.<br>Illegal connections.   | SW Technical staff.<br>SW Management  | Honiara (Vulnerable Households) 0 new connections   | 19,390 additional people have access to clean water (2770 new connections (2620 in Honiara and 150 in Provincial towns at 7 people per house))   | Approximately 22,204 additional people with access to clean water<br>3172 households   |
| More people have access to sanitation facilities                                   | <b>Sanitation Improvements</b> - Increased number of vulnerable residents who have access to effective "female friendly" sanitation facilities through the construction of two new Public WASH Amenities and improved household level toilets | The number of households who have access to effective sanitation facilities   | Public WASH Facilities usage records<br>HCC Reporting<br>Project Qtrly Reports                              | Public WASH Facilities culturally not accepted.<br>Customers not willing to invest in improved sanitation.   | SW Technical Staff.<br>SW Management  | Honiara currently has 4 public toilet facilities for Honiara  | Two additional public WASH Facilities<br>200 people per day using new WASH Facilities in Honiara<br>2,000 people live within 500m of a new WASH Facility<br>150 households have access to improved sanitation facilities in Auki, Noro, Tulaghi, and Gizo                        | Component cancelled<br>Design work complete  |
| Solomon Water is efficient and sustainable   | SW has an increased number of customers and customers are more responsible in their use of water  | Total number of new customers<br>Annual revenue<br>Reduced non revenue water  | SW Monthly reporting<br>Project Qtrly reports   | Vulnerable customer households do not want to pay for a formal household water connection<br>New customers do not pay their water accounts<br>Water theft increases due to extension of water pipelines into Settlement areas  | SW Technical Staff.<br>SW Management  | Number of existing customers is 13,500<br>Annual revenue is SBD 95m<br>NRW is currently 56%   | Total number of customers increases to 16,270<br>Annual revenue increases by SBD 2.4 m<br>NRW decreases to below 50%   | At least 16,672 total customers<br>Revenue increased by SBD 5m   |
| Intermediate   |   |   |   |  |                                       |   |  |  |
| Outcomes   | Outputs   | Indicator   | Data collection method & frequency  | Risks  | Who will collect and analyse the data | Baseline  | Target   | Progress to December 2022  |
| <b>1.0 Water sources in Honiara and Auki are secure and protected</b>              | 1.1 Increased water availability in the Kombito area of Honiara   | Increased water production capacity in the Kombito area   | Monthly Water Production reporting<br>Project Qtrly Reports   | Poor borehole capacity.<br>Land issues on site of boreholes  | SW Technical staff.<br>SW Management  | Currently zero  | 1 MLD  | Land issues mean that construction of these boreholes was shifted to Panatina. Now complete and producing 1.6MLD   |
|  | 1.2 Increased water availability in the Rove / Pt Cruz area of Honiara  | Increased water production capacity at the Rove intake  | Monthly Water Production reporting<br>Project Qtrly Reports   | New intake works do not result in increased production.  | SW Technical staff.<br>SW Management  | 1.7 MLD   | 2.0 MLD  | Rove weir upgrade complete. Yield is now 1.9MLD with further improvements expected.  |
|  | 1.3 Increased water availability in Auki  | Increased water production capacity at the Kwaibala water source  | Monthly Water Production reporting<br>Project Qtrly Reports   | New intake works do not result in increased production.  | SW Technical staff.<br>SW Management  | 0.88 MLD  | 1.2 MLD  | Upgrade works complete. Yield is now 1.2MLD.   |
| <b>2.0 Vulnerable households in Honiara have improved access to clean water</b>    | 2.1 Extension of water supply to selected vulnerable communities in Honiara   | Number of vulnerable new customers in Honiara that have access to clean water   | Monthly Water Production reporting<br>Project Qtrly Reports   | Poor uptake of new connections.<br>Insufficient raw water.<br>Illegal connections.   | SW Technical staff.<br>SW Management  | Existing Households - 451<br>Kombito 1,2,3 - 176<br>Independence Valley - 55<br>Green Valley - 32<br>Mamulele - 6<br>Lunga - 14<br>Burns Creek - 13<br>Henderson - 51<br>Gilbert Camp - 6<br>Ikavo - 53<br>Koa Hill - 18<br>Namaruka - 27 | Target New Households - 2620<br>Kombito 1,2,3 - 215<br>Independence Valley - 27<br>Green Valley - 57<br>Mamulele - 55<br>Lunga - 201<br>Burns Creek - 745<br>Henderson - 913<br>Gilbert Camp - 55<br>Ikavo - 96<br>Koa Hill - 175<br>Namaruka - 81                               | Kombito 1,2,3 - 852 new customers<br>Independence Valley 0<br>Mamulele 217 new customers<br>Green Valley 308 new customers<br>Burns Creek 1202 new customers<br>Koa Hill 307 new customers<br>Namaruka 286 new customers<br>3172 new customers   |
| <b>3.0 New public WASH facilities are available</b>                                | 3.1 Two new "female friendly" Public WASH Amenity blocks in Honiara that service vulnerable residents   | Two new Public WASH Facilities constructed.   | Project Qtrly Reports   | Lack of land for locating new facilities.<br>Lack of commitment from HCC.  | SW Technical staff.<br>SW Management  | Honiara currently has 4 public toilets  | Two new public WASH facilities<br>100 people per day using each facility in Honiara.   | Ongoing discussion has not identified any suitable locations.<br>Final design complete<br>Component cancelled.   |
| <b>4.0 Provincial households have improved WASH facilities</b>                     | 4.1 Extension of water supply to vulnerable households in Auki, Tulagi, Noro and Gizo   | Number of new customers that have access to clean water<br>Water security improvements in Gizo  | Project Qtrly Reports   | Poor uptake of new connections.<br>Insufficient raw water.<br>Illegal connections.   | SW Technical staff.<br>SW Management  | Auki - 0 new connections<br>Tulagi - 0 new connections<br>Noro - 0 new connections<br>Gizo - Water not available in town  | Auki - 50 new connections<br>Tulagi - 20 new connections<br>Noro - 30 new connections<br>Gizo - Water supply improvements  | Gizo water supply improvements completed on the Leoko pipeline and Malakerava springs.<br><br>Leoko pipeline now delivering at least 175,000 litres to Gizo per day as well as providing water for communities along the pipeline. Up to 1,750 households in Gizo can access 100 litres per day, in addition to households along the pipeline.<br><br>Ongoing improvements to Leoko to ensure water reaches the wash house.<br>Water supply improvements in other towns now being done through SW main works program.<br>Savings applied to WASH in High Risk Settings |
|  | 4.2 Residents of Auki, Tulagi, Noro and Gizo have improved knowledge of effective sanitation practices and improved WASH facilities   | Number of residents who have invested in improved sanitation facilities.  | SW Monthly Reporting<br>Project Qtrly Reports   | Lack of sanitary products available.<br>Lack of demand for improved toilets.<br>Lack of water for handwashing.   | SW Technical staff.<br>SW Management  | Auki - 0<br>Tulagi - 0<br>Noro - 0<br>Gizo - 2  | Auki - 50 new or improved toilets<br>Tulagi - 20 new or improved toilets<br>Noro - 30 new or improved toilets<br>Gizo - 50 new or improved toilets   | Hygiene promotion campaign completed in Gizo, Noro, Tulagi, Auki<br><br>Sanitation activities cancelled and funds applied to WASH in High Risk Settings  |
|  | 4.3 High risk locations in Auki, Tulagi, Noro and Gizo identified, and WASH facilities installed/improved in priority locations   | Effective WASH facilities at selected high risk settings constructed / renovated.   | Provincial WASH Project reporting.<br>SW Monthly Reporting<br>Project Qtrly Reports                         | Lack of Provincial commitment.<br>Lack of appropriate locations to construct or improve public WASH facilities.  | SW Technical staff.<br>SW Management  | Currently there are no public WASH facilities that include toilets, washing facilities, and water for purchase.   | At least one high risk location in Auki, Gizo, Tulaghi and Noro has upgraded WASH facilities that service vulnerable residents and include toilets, hand washing facilities, and water available for purchase.   | WASH facilities upgraded at schools, churches, hospitals in Gizo, Tulaghi, and Noro.<br>Upgrades ongoing for Auki.   |
| <b>5.0 Services delivered by Solomon Water meet the needs of Solomon Islanders</b> | New water infrastructure is constructed to meet the needs of 2770 new customer households<br>Water availability is improved in both quantity and time   | Number of new connections<br>Increased water availability   | SW Monthly Reporting<br>Project Qtrly Reports   | Vulnerable customer households do not want to pay for a formal household water connection<br>Water theft increases due to extension of water pipelines into Settlement areas and NRW remains high  | SW Technical staff.<br>SW Management  | Solomon Water currently has 13,500 customers<br>Number of hours when water is available in Honiara households is currently 22 hours   | 3172 new customer households have clean water connections<br>Annual revenue of Solomon Water increases by \$2.4 m<br>Water availability increases to 22.5hrs   | 3172 new connections<br>Revenue increased by SBD 5m  |

## Annex 2 – Risk Matrix

1 – Low, 2 – Med, 3 - High

| Risk   | Outcome   | Likelihood/<br>Impact | Mitigation Measures  |
|--|---|-----------------------|--|
| <b>Social Risks</b>  |   |                       |  |
| Community jealousy or disagreement regarding which settlements should be prioritised               | <ul style="list-style-type: none"> <li>Conflict between people and leaders of different Settlements and HCC/SW</li> </ul>     | 1/2                   | <ul style="list-style-type: none"> <li>A rigorous assessment has been conducted to ensure Settlements are selected that are the most in need. This process has been conducted with the full involvement and endorsement of HCC.</li> <li>Review if significant issues develop</li> </ul>   |
| Community expectations are not met (for example delays in water connections).                      | <ul style="list-style-type: none"> <li>Residents disillusioned and less likely to pay for water initially.</li> </ul>         | 1/1                   | <ul style="list-style-type: none"> <li>Involve residents in paid work to install new pipelines in their own areas.</li> <li>Effective &amp; ongoing engagement communication to ensure realistic expectations.</li> <li>Communication plan to include strategy &amp; messaging in relation to expectations.</li> </ul>               |
| Community members do not support the use of public toilets or WASH facilities                      | <ul style="list-style-type: none"> <li>WASH Amenities not used or properly maintained</li> </ul>                              | 2/2                   | <ul style="list-style-type: none"> <li>SW WASH Household Survey was conducted and included questions on attitudes towards public WASH facilities.</li> <li>Household Survey included questions particularly targeted at women to ensure facilities are located, designed, and managed to maximise use by women and girls.</li> </ul> |
| <b>Financial Risks</b>   |   |                       |  |
| SW has not recently been involved in accounting and financial reporting of DFAT-financed projects. | <ul style="list-style-type: none"> <li>Delays in financial reporting.</li> <li>Reporting not to DFAT requirements.</li> </ul> | 1/1                   | <ul style="list-style-type: none"> <li>Staff of SW to undergo induction on DFAT procurement and disbursement processes prior to start of project implementation and regularly as part of their on-the-job training.</li> </ul>   |
| <b>Environmental and Climate Risks</b>   |   |                       |  |
| Erosion, land degradation due to   | <ul style="list-style-type: none"> <li>Erosion of land in Settlements causing</li> </ul>                                      | 1/2                   | <ul style="list-style-type: none"> <li>All construction activities to comply with existing environmental guidelines and requirements including for soil disruption and storage during trenching and for clean-up standards post construction.</li> </ul>   |

|  |  |     |   |
|--|--|-----|---|
| commencing works in unserved areas   | potential flooding or land degradation.  |     | <ul style="list-style-type: none"> <li>● Planning and implementation of construction works to consider rainfall and flood risks</li> </ul>  |
| <b>Technical</b>   |  |     |   |
| Intake works do not increase production  | <ul style="list-style-type: none"> <li>● Water availability does not increase.</li> </ul>  | 1/2 | <ul style="list-style-type: none"> <li>● Existing intakes will be upgraded to ensure increased storage and flow.</li> <li>● Boreholes will be located after careful hydrogeological consideration and testing</li> </ul>  |
| Proposed preferred new WASH Amenity blocks located away from existing sewerage system. | <ul style="list-style-type: none"> <li>● Increased cost and time to implement new facilities</li> </ul>  | 1/1 | <ul style="list-style-type: none"> <li>● WASH facilities will include septic tanks where necessary and agreements with HCC on regular emptying and maintenance.</li> </ul>  |
| <b>Health and Safety Risks</b>   |  |     |   |
| Insufficient health and safety prevention measures (e.g. COVID) in place               | <ul style="list-style-type: none"> <li>● Increased chance of serious harm, injury, or illness.</li> </ul>  | 1/3 | <ul style="list-style-type: none"> <li>● Implementing partners required to have a health and safety policy, maintain a health and safety risk register, and implement mitigation actions.</li> <li>● SW has a well-developed H&amp;S management system</li> </ul>                               |
| <b>Institutional Risks</b>   |  |     |   |
| SW staffing capacity   | <ul style="list-style-type: none"> <li>● Existing staff are already fully committed and find it difficult to dedicate sufficient time to the new project</li> </ul>  | 1/2 | <ul style="list-style-type: none"> <li>● VCWSSP to be supported by existing international Advisers, newly recruited WASH Officer, as well as recruitment of a new local Project Manager.</li> <li>● Some critical construction and hygiene promotion activities to be sub-contracted</li> </ul> |
| Lack of support from central government, and/or HCC                                    | <ul style="list-style-type: none"> <li>● Delays in financial support.</li> <li>● Barriers or delays in achieving the outcomes.</li> <li>● Government policies (e.g. might inhibit project outcomes.</li> </ul> | 1/2 | <ul style="list-style-type: none"> <li>● Actively engage the relevant SIG ministries.</li> <li>● Funds to be received before implementation.</li> <li>● Partnership approach with HCC including their endorsement of key activities.</li> </ul>   |

|  |   |     |   |
|--|---|-----|---|
| Lack of support from Provincial government   | <ul style="list-style-type: none"> <li>● No support for WASH work including locating high risk settings, new connection areas, or hygiene promotion.</li> </ul> | 1/2 | <ul style="list-style-type: none"> <li>● Actively engage Provincial government at the highest level.</li> <li>● Actively engage Provincial RWASH teams.</li> <li>● Actively engage local NGOs in hygiene promotion activities.</li> </ul> |
| Insufficient local capacity (e.g. within SW Local Contractors, or NGOs) to deliver the project during the period | <ul style="list-style-type: none"> <li>● Unable to achieve expected outcomes.</li> <li>● Delays in implementation.</li> </ul>                                   | 1/2 | <ul style="list-style-type: none"> <li>● Engage local and/or regional WASH partners with proven capacity to construct water infrastructure and implement hygiene promotion.</li> </ul>  |

## **Annex 6: GAP Report**

*Gender Action Plan (GAP) Report Q1 2024 (To follow)*

