

**Pacific Islands Regional Oceanscape Program**

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**ENVIRONMENTAL AND SOCIAL MANAGEMENT  
FRAMEWORK**

**Version 2 – September 2018**

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## List of Abbreviations

ARAP	Abbreviated Resettlement Action Plans
BDM	Bechê-de-mer
CBO	Community-based Organisation
CBRM	Community-based resource management
CDP	Community development program
CFMP	Community Fisheries Management Plan
CGIAR	Consultative Group on International Agricultural Research
CMAC	Coastal Management Advisory Council (Republic of the Marshall Islands)
CTI	Coral Triangle Initiative
CROP	Council of Regional Organisations in the Pacific
DRD	Department of Resource Development (FSM)
DWFN	Distant Water Fishing Nations
EAFM	Ecosystems approach to fisheries management
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESSIP	Environmental and Social Safeguard Instruments for Pacific Island Countries
FFA	Pacific Islands Forum Fisheries Agency
FFV	Foreign Fishing Vessel
FPIC	Free, prior and informed consultation
FSM	Federated States of Micronesia
IA	Implementing Agency (fisheries ministry/department in Member State)
IDA	International Development Association
IPO	Indigenous Peoples Organisation (representative body)
IPP	Indigenous Peoples Plan
IUU	Illegal, unregulated and unreported (fishing)
LRP	Livelihood restoration program
LMMA	Locally managed marine area
MCS	Monitoring, control and surveillance
M&E	Monitoring and evaluation
MECDM	Ministry Environment, Climate Change, Disaster Management and Meteorology (Solomon Islands)
MFMR	Ministry of Fisheries and Marine Resources (Solomon Islands)
MRA or MIMRA	Marine Resources Authority (Republic of the Marshall Islands)
MNR	Ministry of Natural Resources (Tuvalu)
MPA	Marine Protected Area
MSWG	Marine Sector Working Group (of CROP)
NGO	Non-government Organisation
NORMA	National Oceanic Resource Management Authority (FSM)
NRM	Natural Resource Management
OP	Operational Policy (of the World Bank)
PAP	Project affected person/s
PF	Process Framework (for compliance with OP4.12)

PSU	Project Support Unit
PNAO	Parties to the Nauru Agreement Office
PIFS	Pacific Islands Forum Secretariat
PIROP	Pacific Islands Regional Ocean Policy
PIROF-ISA	Pacific Islands Regional Ocean Framework for Integrated Strategic Action
PROP	Pacific Islands Regional Oceanscape Program
RMI	Republic of the Marshall Islands
RPF	Resettlement Process Framework
SPC	Pacific Community
SPREP	Secretariat of the Pacific Regional Environment Programme
TFD	Tuvalu Fisheries Department
WCPO	Western Central Pacific Ocean
WCPCFC	Western and Central Pacific Fisheries Commission
VDS	Vessel Day Scheme

## I. INTRODUCTION

1. The Pacific Islands Ocean Region covers some 11 percent of the world’s ocean area and is home to 22 small island countries and territories. The economies of Pacific Island countries (PICs)<sup>1</sup> are fundamentally shaped by this geography as much as any other feature. PICs comprise around 9 million people living on hundreds of islands and sharing common transboundary ocean and fishery resources. These resources are threatened by numerous factors which include overfishing, coastal habitat degradation and pollution from a wide range of sources. Additionally, climate change is projected to result in sea level rise, increased sea surface temperatures (with impacts on fishery resources and habitats), potentially more intense and frequent storm events in the region, and increased acidity - which has important implications both for food security and for the coastal protection services provided by coral reefs.

2. In response to increasing demand for assistance from PICs, the World Bank completed a Fisheries Engagement Strategy for the region at the end of 2011. On this basis, in early 2012 a number of PICs, as well as the Pacific Islands Forum Secretariat (PIFS), began discussions with the World Bank about the possibility of a coordinated regional project to provide International Development Association (IDA) financing as well as technical assistance to support continued sustainable development of the marine fisheries. After the extensive consultations between the World Bank and the PICs, common elements emerged for a coordinated package of IDA financing and technical assistance to the PICs for the fisheries and oceans sectors, i.e. a *Pacific Islands Regional Oceanscape Program (PROP)*. The overall concept for the PROP was approved by the management of the World Bank in March 2013.

3. The PROP aims to improve environmental and resource quality in the Pacific Islands Region in order to increase the economic benefits generated by the sustainable management of the region’s oceanic and coastal fisheries, and the critical habitats that sustain them.

4. The PROP is a program of investment project financing – a series of projects, each implemented in separate phases. More specifically, the PROP is a series of interdependent and overlapping projects to multiple borrowers, who are facing a common set of development issues and share common development goals. Each of the projects is self-standing and will finance a different group of eligible borrowers, and each is expected to last approximately six years.

5. The eleven PICs that are member countries of the World Bank are eligible to participate, as all share the transboundary fisheries and fish resources. The first five projects in the series - which corresponds to the PROP Phase 1 were initiated in the countries of the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), the Solomon Islands, Tuvalu and a regional IDA grant to the Pacific Islands Forum Fisheries Agency (FFA)<sup>2</sup> in 2015.

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<sup>1</sup> 11 of PICs are members of the Bank: Federated States of Micronesia (FSM), Fiji, Kiribati, Palau, Papua New Guinea, Republic of the Marshall Islands (RMI), Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu

<sup>2</sup> The FFA represented member countries participating in the PROP, including the countries participating in Phase I

6. Version: The original version of the ESMF was prepared in 2015 during the preparation of the five PROP projects. This Version 2 updates the document for the restructured projects for RMI, FFA and Solomon Islands. More detail about the restructured projects is provided in section III.

7. The five implementing agencies have found it difficult to implement the programmatic ESMF to date for several reasons. The role of the FFA as the center for regional safeguards support did not materialize. RMI, Solomon Islands, FSM and Tuvalu delayed operationalizing the ESMF while waiting for the regional support to come and did not fill the gap in resourcing by recruiting their own part time safeguards consultants. While the Project Managers had training on the ESMF during the program launch, this was not enough capacity building to give them the confidence or skills to apply the requirements of the ESMF to the various sub-projects. As a high-level framework, it has not provided enough step-by-step guidance for non-technical staff to apply it effectively. World Bank safeguards specialists filled this gap to some extent where possible, helping to screen some sub-projects, review technical advisory deliverables and providing other ad-hoc support. Safeguards advisors are now being recruited to fill this capacity gap in each Implementing Agency and this should improve the screening activities and the appropriate management of risk. The Implementing Agencies have provided feedback that project-specific instruments would be better in future.

## II. PURPOSE AND SCOPE OF ESMF

8. The PROP has a shared development objective and approach, meaning that each project in the series has the same design features, i.e. the same components and sub-components, but is applied to different countries (with some different specifics for each country).

9. In order to implement the shared objective and approach, each project in the series finances activities that would be implemented nationally in each participating country, as well as some activities better implemented at the regional level. A regional framework, or menu of activities eligible for financing, was developed (Table 1), from which countries can choose as needed. The rationale of using this program-level Environmental and Social Management Framework (ESMF) is that specific activities for all projects/phases of the PROP were not identified during the project preparation.

10. *The purpose of this ESMF* is to guide project implementing agencies (IAs) (Table 4) on the environmental and social screening and subsequent assessment of country-specific project activities during project preparation and implementation. This is to ensure that potential adverse environmental and social impacts that may be generated as a result of each project/phases are identified, and appropriate safeguard instruments are prepared to avoid, minimize, mitigate and, in such cases where there are residual impacts, offset adverse environmental and social impacts. See Table 4 for more details on key responsibilities for ESMF implementation.

11. *The screening of each activity* for adverse environmental and social impacts and the preparation of appropriate safeguard instruments for each plan is guided by this ESMF. The Project Implementing Agencies have the overall responsibility for ensuring that environmental and social issues are adequately addressed within the project cycle, as described in Table 4. Scope of this framework includes environmental and social screening to determine the project category, potential environmental and social issues and project-specific instrument. It also includes annexes with a Screening Form for Potential Environmental and Social Safeguards Issues (Annex A), Indigenous Peoples Planning Framework (OP4.10, Annex B), Resettlement Policy Framework (Annex C), and Process Framework (OP4.12, Annex D).

12. The ESMF ensures that *each project under the PROP* puts in place a robust approach to consider environmental and social risks and impacts in line with World Bank safeguard policies, and to prepare appropriate good practice safeguard instruments for the final activities. The World Bank safeguard policies are available at [www.worldbank.org/safeguards](http://www.worldbank.org/safeguards).

### III. DESCRIPTION OF THE PROGRAM, COMPONENTS AND TYPOLOGY OF POTENTIAL ACTIVITIES

13. The **objective** of the PROP is to strengthen the shared management of selected Pacific Island oceanic and coastal fisheries<sup>3</sup>, and the critical habitats upon which they depend. As such, the PROP directly contributes to the larger goal of countries to sustainably increase the economic benefits they capture from the region's oceanic and coastal fisheries. Building on ongoing efforts and initiatives, this package of investments aims to enhance the contribution of fisheries in particular, to economic growth and sustainable development as described in the Pacific Plan (which was adopted by Pacific Islands Forum leaders in 2005 as the master strategy for Pacific islands regional integration and coordination).

14. The success of the PROP is being monitored through **three indicators**:

- *Sustainable Management of Oceanic Fisheries:*  
*Indicator for strengthened management of oceanic fisheries:* the number of days fished for tuna in a country's waters does not exceed its agreed annual allocation of purse seine fishing vessel days (PAE), while the total regional allocation (TAE) remains within sustainable levels<sup>4</sup>;
- *Sustainable Management of Coastal Fisheries:*  
*Indicator for strengthened management of coastal fisheries:* the number of additional coastal fisheries legally managed by stakeholders in each country, with support from the Government; and
- *Conservation of critical fishery habitats:*  
*Indicator for sustainable financing of the conservation of critical fishery habitats:* the number of large marine protected or marine managed areas conserving habitat critical to support Pacific fisheries for which sustainable revenue streams are identified

15. Table 1 provides an indication of some of the specific investments envisaged under the program in each of the components and sub-components described below. These indicative investment areas from which participating countries select according to country priorities and ability to leverage regional IDA are developed more fully during each program design.

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<sup>3</sup> Selected fisheries are defined here as the fisheries used or shared by the Pacific Island Countries who are members of the Bank.

<sup>4</sup> The total regional allocation is defined as total purse seine fishing effort, measured in total allowable effort (TAE).



**Table 1: A menu of activities eligible for financing under PROP**

Component 1: Sustainable Management of Oceanic Fisheries
<ul style="list-style-type: none"> <li>• Capacity building/institutional strengthening at both national and regional levels in VDS and similar rights-based cooperative management arrangements.</li> <li>• Increased monitoring, control and surveillance to enforce tuna access rights regimes</li> <li>• Increased local value added to long line tuna products</li> </ul>
Component 2: Sustainable Management of Coastal Fisheries
<ul style="list-style-type: none"> <li>• Management of export / high-value fisheries</li> <li>• Rights for Stakeholder-Managed Fisheries</li> <li>• Linkages to Markets, and Local Entrepreneurship/ Skills Development</li> <li>• Marine pollution studies relating to the mandate of the Ministry</li> </ul>
Component 3: Sustainable Financing of the Conservation of Critical Fishery Habitats
<ul style="list-style-type: none"> <li>• Support to Marine Protected Areas and Marine Management Areas (e.g. through establishment of Pacific Marine Conservation Development Fund)</li> <li>• Regional Ocean Finance and Governance Programs Activities</li> </ul>
Component 4: Program Management, Monitoring and Evaluation
<ul style="list-style-type: none"> <li>• Support to each country and the FFA for financial and procurement, management, monitoring and evaluation and safeguards.</li> </ul>

16. The activities financed at the national level in each participating country, as well as regional activities, are described and delineated in the Project Appraisal Document (PAD) for each of the five projects and corresponding restructuring papers for Solomon Islands, FFA and Marshall Islands. Each participating country, as well as the FFA, have adopted the framework to guide the national activities they implement. The regional framework, or a generic menu of activities, from which countries can choose is described in the PAD and reflected in Table 1 above, to indicate what can be funded under the PROP in the future. Anything beyond this regional framework will require a separate assessment.

#### **Description of Program components:**

17. The PROP is a regional program that is being implemented incrementally in Pacific Island countries over a six to ten year period (beginning in 2015) and based on country demand. More specifically, the program is a Series of Projects (SOP) in participating countries and with some support from regional agencies. Each project in the series is expected to have a duration of six years.

18. In order to achieve the objective, the Program will include the following components, sub-components and activities available for all participating countries. These will form a detailed menu of activities the Program could support in each country, which would be chosen based on the specific country context. Some activities will be implemented at the national level, while others will be implemented at the regional level to capture economies of scale. All activities in

this menu would contribute to the shared regional objective of the PROP, even if implemented nationally. The legal agreements with each country therefore reflect the specific activities of PROP Phase I described in Annexes 3 through 7 of the Project Appraisal Document (PAD), as well as corresponding restructuring papers for Solomon Islands, FFA and Marshall Islands.

19. **Component 1: Sustainable Management of Oceanic Fisheries.** This component aims to help participating Pacific Island countries strengthen the management of the region's purse seine and long-line tuna fisheries. Towards this objective, the component includes activities to: (i) strengthen the capacity of national and regional institutions to sustainably manage Pacific Island tuna fisheries; and (ii) ensure an equitable distribution within Pacific Island countries of the benefits of sustainably managed tuna fisheries.

20. **Component 2: Sustainable Management of Coastal Fisheries.** This component aims to support participating countries to sustainably manage defined coastal fisheries and the habitats that support them with a holistic approach of Community-Based Resource Management (CBRM) and Provincial Fisheries (FADs), focusing on those with the greatest potential for increased benefits, i.e. coastal fisheries such as bêche-de-mer (BDM) that (i) can generate export earnings for the country, and/or (ii) support livelihoods, food security and dietary health. Towards this objective, this component includes activities to: (i) empower stakeholders to sustainably manage targeted coastal fisheries in participating countries; and (ii) link sustainable coastal fish products to regional markets. This component will provide climate change co-benefits by supporting adaptation in the form of better management of coastal fisheries and natural defenses. This component may include building or repairing infrastructure.

21. **Component 3: Sustainable Financing of the Conservation of Critical Fishery Habitats.** This component aims to help identify revenue streams to sustainably finance the conservation of critical habitats that underpin oceanic and coastal fisheries in the region. Towards this objective, the component will include activities to establish: (i) Pacific Marine Conservation Development Financing Mechanisms to support the growing number of large marine protected areas (MPAs) in the region; and (ii) establish a Regional Ocean Finance and Governance Program for Pacific Island Countries. The aim of this component is not to provide sustainable financing for all regionally-significant fisheries habitat conservation efforts, but rather to provide the catalytic upstream finance needed to identify, develop and achieve consensus on the mechanisms to deliver such financing, and then to help secure this financing from other sources, for example from the GEF, international foundations, etc. Thus, the financing from this component aims to leverage significant additional finance to the region for conservation of critical fishery habitats. This component also provides climate change co-benefits by supporting mitigation, in the form of conservation of vegetated coastal habitats that sequester significant amounts of carbon.

22. **Component 4: Project Management, Monitoring and Evaluation.** This component aims to provide project support to ensure a coherent approach to program implementation and wide dissemination of results and lessons learned; as well as implementation support and training as needed for the program to achieve its objectives. Each country and the FFA will be responsible for their own project implementation arrangements. Towards this objective, this component includes activities to: (i) support a program support unit within each implementation

agency for project implementation and management; (ii) share knowledge and outreach globally; and (iii) support national project management, monitoring and evaluation

**Project Restructuring**

23. In 2018, three projects are being restructured to improve project performance. These projects are the RMI, the Solomon Islands and the FFA. Tuvalu and the FSM projects have not been restructured at this time. The restructured projects each have revised project activities, leading to the requirement to update the PROP ESMF in 2018 to reflect the revised project activities. Restructuring papers on the proposed project restructuring have been prepared and were publicly disclosed in June 2018.

In summary, the proposed changes to the three projects are:

<b>Project</b>	<b>Summary of proposed project changes</b>
RMI	<ul style="list-style-type: none"> <li>a. Dissolution of the Disbursement Linked Indicators (DLI) modality due to its lack of impact and effectiveness in this project;</li> <li>b. Excision of the additional sea patrols Monitoring, Control and Surveillance (MCS) activity and associated funding planned under Component 1 due to duplication of funding sources;</li> <li>c. Reallocation of unused annual DLI budget to support investments in strategic activities financed under Component 2 with a specific focus on improving coastal ecosystem health, combatting coastal and marine pollution management and engaging additional outer islands;</li> <li>d. Modification to the project’s results framework to reflect the adjusted project design; and,</li> <li>e. Strengthening the PIU staffing complement.</li> </ul>
Solomon Islands	<ul style="list-style-type: none"> <li>a. Dissolution of the DLI modality due to its lack of impact in this project;</li> <li>b. Excision of the additional sea patrols Monitoring, Control and Surveillance (MCS) activity and associated funding planned under Component 1 due to duplication of funding sources;</li> <li>c. Excision of the financing for the construction and outfitting of the proposed enforcement center in Honiara due to the absence of a suitable site for construction and the insufficient time available for completion of construction prior to closure;</li> <li>d. Reduction in the number of activities originally planned under Components 1 and 2 given the limited time left to execute the project;</li> <li>e. Modification to the project’s results framework to reflect the reduced scope of the project; and,</li> <li>f. Strengthening the PIU staffing complement to compensate for lack of implementation support that was to have been provisioned by the regional FFA PROP Project but has to date failed to materialize.</li> </ul>
FFA	<ul style="list-style-type: none"> <li>a. Technical assistance for the Vessel Day Scheme (VDS) for the purse seine fishery reduced to two specific types of projects:                             <ul style="list-style-type: none"> <li>1. Legal advice and three workshops: a) two workshops on Persons of</li> </ul> </li> </ul>

	<p>Interest and b) one workshop on Observer Insurance.</p> <ol style="list-style-type: none"><li>2. Annual Disbursement Linked Indicator (DLI) verification process for the national PROP projects (for years 1, 2, 3 and 4 for all four national projects and for years 5 and 6 for the Federated States of Micronesia and Tuvalu only).</li></ol> <ol style="list-style-type: none"><li>b. Equitable distribution of benefits of sustainably managed tuna fisheries dropped.</li><li>c. No pilot Blue Carbon projects will be funded. A Regional Ocean Finance and Governance Program will be designed instead.</li><li>d. Oceanscape unit located within the Pacific Island Forum Secretariat is no longer needed.</li><li>e. Changes to the FFA’s regional coordination role for component 4. Specifically, the FFA is no longer the regional implementing agency and has no responsibilities beyond the assigned project. Each country and FFA will be responsible for implementation of their own projects, with no regional oversight or inter-project support by FFA. This includes safeguards, procurement and other project support services. Each Implementation Agency will be required to hire or procure their own consultants, or, in the case of RMI, access the Central Project Support Unit resources.</li></ol>
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## IV. POTENTIAL ENVIRONMENT AND SOCIAL IMPACTS

24. This ESMF aims ensure that the World Bank’s safeguard policies on environmental assessment (OP 4.01), natural habitats (OP 4.04), forests (OP 4.36), indigenous peoples (OP 4.10) and involuntary resettlement (OP 4.12) are followed, to avoid causing harm or exacerbating risks or impacts in participating countries, and to assist PROP Implementing Agencies (IAs).

25. This section describes the procedures in place to determine: (i) potential adverse environmental and social impacts of project activities, and (ii) how potential impacts will be addressed through the selection of appropriate mitigation and management plans. Approved PROP activities must be consistent with these procedures. Responsibilities for implementing these procedures are outlined in Section VIII of this ESMF.

26. The overall impact of the program is expected to be highly positive and none of the eligible investments on the menu of options include activities that would generate significant risk or irreversible adverse environmental or social impacts. Each project includes investments for both ‘physical’ goods and services, as well as ‘soft’ activities such as technical assistance. Most of the physical investments would be made at the national level, while ‘soft’ activities would be implemented at both the national and regional level. The scale and likelihood of adverse impacts arising from these activities is limited, and the types of mitigation activities well-known and proven. As such, the program is found to be **Category B** interventions.

27. All sub-project activities will be assessed for their potential environmental and social impacts and risks. For projects with a physical and/or social impact, an Environmental and Social Assessment (ESIA) and Environmental and Social Management Plan (ESMP) will be undertaken to ascertain a range of environmental and social impacts that may result from project activities. Table 2 provides a preliminary analysis and some examples of the type of project activities (salient physical characteristics relevant to the safeguard analysis) and their respective impacts.

### A. Review of Environmental and Social Issues

28. Project IAs are required to include in the list of country-specific project activities a brief description of any activities that may involve environmental and social impacts, any known environmental sensitivities, and any sites with known or potential archeological, paleontological, historical, religious or unique natural values. This should be based on a scoping with knowledgeable expert and local stakeholders.

29. *Activities that foresee significant and irreversible negative impacts* on the environment that are not easily mitigated will not be approved. In the event of activities with potential minor or moderate and manageable environmental impacts, an environmental review should be undertaken (see Table 2 for more guidance; see also the World Bank’s Environmental Assessment Policy and Sourcebook for guidance on determining level of impacts). The review

examines the activities' potential negative and positive environmental impacts and defines any measures needed to prevent, minimize or mitigate adverse impacts and improve environmental performance.

30. Environmental and Social Assessments on proposed activities that potentially result in minor and manageable social and environmental impacts should include the following basic elements:

- A description of the possible adverse effects that specific activities may occur (see Table 3 for some basic guidance on potential environmental impacts);
- A description of any planned measures to avoid or mitigate adverse impacts, and how and when they will be implemented;
- A system for monitoring the environmental effects of the project;
- A description of who will be responsible to implement/monitor mitigation measures; and
- A cost estimate of the mitigation measures (the costs for environmental management will be included in the of activities plan proposal).

31. IAs will select safeguard instrument(s) appropriate for each potentially adverse activity, according to the responsibilities set in Table 4.

## **B. Mitigation Measures**

32. The main impacts for eligible activities would be minor impacts resulting from construction works, and change in natural resource use. Construction may have minor, short-term direct impacts on vegetation and local species-mainly due to soil excavation, dust and noise. All impacts will be managed through the application of an activity-specific environmental and social management plan (ESMP) and may include, for instance, measures such as proper siting of infrastructure to avoid and minimize impacts, construction contract procedures for dealing with **chance finds**, dust control measures, and waste management. Further guidance on Health and Safety issues is provided for in the World Bank Group Environmental Health and Safety Guidelines (2007) (found at: [www.ifc.org](http://www.ifc.org)). An ESMP template has been provided in Annex E as guidance.

### **Chance Find Procedure:**

33. There is a possibility that project activities may result in damage to physical cultural property unless these are identified early in the process. A Chance Finds Procedure will be detailed in the environmental and social management plan (ESMP). Activities that may occur in areas with possible physical cultural resources will specify procedures for identifying physical cultural property and for avoiding impacts on these, including:

- Consultations with the appropriate authorities and local residents and communities to identify known or possible sites during the design of project activities;

- Siting of proposed activities to avoid identified sites (including identifying such areas in protected and natural resource management planning and zonation);
- Chance finds procedures will include cessation of work until the significance of a “find” has been determined by the appropriate authorities and local inhabitants, and until fitting treatment of the site has been determined and carried out;
- Construction contract procedures will include the same procedures for dealing with chance finds;
- Buffer zones or other management arrangements to avoid damage to cultural resources, such as sacred forests and graveyards. Local communities to which these areas belong should decide access procedures and should not be excluded from accessing these areas.

34. The PROP stresses community participation since local knowledge is important in identifying, designing and planning the implementation of practical mitigation measures. It is especially important where the success depends on community support and action, both in implementing mitigation measures and in monitoring their success (see Annex D Process Framework for further guidance).

**Table 2: Potential environmental and social impacts**

Project activity	Potential impacts	Mitigation	Monitoring
<b>Component One: Sustainable Management of Oceanic Fisheries</b>			
<p>Solomon Islands – - Design, construction and fit out of an enforcement center in Noro.</p>	<ul style="list-style-type: none"> <li>- Minor to moderate site-specific and time-bound adverse environmental impacts. Potential adverse impacts will be limited to waste management, construction, and health and safety of workers.</li> <li>- Potential temporary land access or permanent small-scale land acquisition required.</li> </ul>	<ul style="list-style-type: none"> <li>- ToR includes the requirement that a safeguards framework must be developed by the consultant.</li> <li>- Locate infrastructure on government land where possible.</li> <li>- Inclusive community engagement on selection of site and input into decision-making process.</li> <li>- Obtain development approval/permits required by national and local regulations prior to construction.</li> <li>- Choose most appropriate timing for construction to avoid or minimize noise disturbance.</li> <li>- Design infrastructure in accordance with local climate and good environmental practices.</li> <li>- Waste minimization and management measures detailed in Environmental Management Plan and handled by suitably qualified persons.</li> <li>- Disposal of waste in designated landfill.</li> </ul>	<ul style="list-style-type: none"> <li>- Site is tidy and well managed.</li> <li>- Waste records.</li> </ul>
<p>Tuvalu – Pilot Community VDS Funds.</p>	<ul style="list-style-type: none"> <li>- Share of tuna access revenues for communities may lead to conflict or social tension if not distributed fairly or transparently.</li> <li>- Stimulation of economic activities in rural or outlying area.</li> <li>- Social change and potential loss of social cohesion as a result of new revenue source and economic development.</li> <li>- Increased harvesting of tuna.</li> </ul>	<ul style="list-style-type: none"> <li>- Well-coordinated and documented community consultation to ensure inclusive and transparent process for benefit sharing agreements.</li> <li>- Monitoring of vessels and catch management.</li> </ul>	<ul style="list-style-type: none"> <li>- Communities’ free, prior and informed consultation is recorded.</li> <li>- Incidental take of species is recorded (indicator species identified and monitored).</li> </ul>



Project activity	Potential impacts	Mitigation	Monitoring
<b>Component Two: Sustainable Management of Coastal Fisheries</b>			
RMI – Formulation of additional fishery management plans and regulations. Operating costs to implement national regulations on sea cucumbers, marine ornamentals and additional targeted fisheries.	- Positive impact on flora and fauna populations	- N/A	- Species monitoring of target populations at regular intervals.
RMI- upgrade and expansion of MIMRA’s Aquaculture Program including construction of an intake pipe from the ocean side to bring fresh water into the aquaculture facility.	- Minor to moderate site-specific and time-bound adverse environmental impacts. Potential adverse impacts will be limited to waste management, construction, and health and safety of workers. - Project activities may require small-scale coastal land access.	- Give preference to siting projects on government land already converted or under-utilized. - Obtain development approval/permits required by national and local regulations prior to construction. - Design infrastructure in accordance with local climate and good environmental practices. - Choose most appropriate timing for construction to avoid or minimize noise disturbance. - Chance find procedures. - Waste minimization and management measures detailed in Environmental Management Plan and handled by suitably qualified persons. - Disposal of waste in designated landfill. - Appropriate treatment and disposal of facility wastewater.	- Site is tidy and well managed. - Waste records.
RMI - Introduction of ocean-side Fish Aggregating Devices (FADs).	- Reduce fishing pressure on reefs by improving catch effort for pelagic species near shore. - Potential to tangle mammals and turtles, particularly if FADs break their mooring. - Potential to overfish pelagic species.	- Identify locations for FADS that avoid / minimize by catch and mammal / turtle entanglement. - Educate communities on sustainable fishing around FADs and monitoring of entanglement.	- Completion audit - FAD monitoring / operational guidelines for communities.

<p>RMI - Purchase of a medium-size vessel for resource assessments and management.</p>	<p>Health and safety risks for vessel operators and users.</p>	<p>- Vessel meets safety specifications and is driven by qualified persons (procurement measure).</p>	<p>- Keep adequate records and make them available for review, if required.</p>
<p>RMI - 2 year coastal fisheries pollution program.</p>	<p>- Improved knowledge of pollution sources and impacts of pollution on human and fish health. - Improvements to water quality and habitat quality from implementation of pollution abatement activities and awareness programs.</p>	<p>- Consult and engage with the RMI Environment Protection Agency and NGO's to ensure an inclusive program. - Include safeguards into the program TOR and activities (such as solid and liquid waste management, stakeholder and citizen engagement).</p>	<p>- Program deliverables.</p>
<p>Restriction of access to newly designated conservation zones or protected areas (e.g. cessation of sand/coral mining).</p>	<p>- Social impacts on local communities including disruption of subsistence and livelihood activities. - Infringement upon customary rights of Indigenous Peoples. - Positive impact on flora and fauna populations</p>	<p>- Inclusive community engagement on selection of site and input into decision-making process. - Partnership approach with communities to establish co-management strategy/regime and regulatory measures. - Strengthen Community-Based Resource Management (CBRM) systems and approaches. - Rules and guidelines for visitors. - Permits for controlled access. - Alternative livelihoods program to offset restrictions to natural resources and protected areas.</p>	<p>- Monitor habitat disturbance. - Communities free, prior and informed consultation is recorded.</p>

<p>Implementation of natural resource management plans (i.e. protected areas; coastal fisheries).</p> <p>e.g. Solomon Islands - scaling up Community Based Resource Management (CBRM) systems that incorporate fisheries management plans and monitoring programs.</p>	<ul style="list-style-type: none"> <li>- Loss of access to key resources that support subsistence livelihood and local economy, and/or livelihoods. impacted disproportionately.</li> <li>- Loss of fixed physical asset or access to asset.</li> <li>- Infringement upon customary rights of Indigenous Peoples for natural resource governance and land/coastal tenure.</li> </ul>	<ul style="list-style-type: none"> <li>- Partnership approach with communities to establish co-management strategy/regime and regulatory measures.</li> <li>- Strengthen CBRM systems and approaches.</li> <li>- Support, equipment and training provided to participating communities for management, monitoring and surveillance activities.</li> <li>- Nominate community liaison officers or focal points as required.</li> <li>- Full representation of various stakeholders in consultation with consideration for gender equity.</li> <li>- FPIC engagement with communities undertaken to determine best approach to avoid adverse impacts to customary rights.</li> </ul>	<ul style="list-style-type: none"> <li>- Key socioeconomic indicators monitored every three years.</li> <li>- Consultations are well documented.</li> <li>- Formal co-management agreements.</li> <li>- Free, prior and informed consultation is recorded.</li> </ul>
<p>Solomon Islands - Improved market access and increase in economic value of marine resources (especially export commodities)</p>	<ul style="list-style-type: none"> <li>- Stimulation of economic activities in rural area.</li> <li>- Overharvesting due to increased value of resources and easier access to markets.</li> <li>- Increased formal employment opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>- Partnership approach with communities to establish co-management strategy/regime.</li> <li>- Strengthen CBRM systems and Locally Managed Marine Area (LMMA) approaches.</li> </ul>	<ul style="list-style-type: none"> <li>- Market value of commodity.</li> <li>- Number of fishers/traders in the value chain.</li> <li>- Number of jobs created.</li> <li>- Monitoring of coastal fisheries.</li> </ul>
<p>Solomon Islands - Support to restock bechê-de-mer. May include investments in small enterprise development including installation of small scale civil works (e.g., solar dryers) for drying.</p>	<ul style="list-style-type: none"> <li>- Minor to moderate site-specific and time-bound adverse environmental impacts. Potential adverse impacts will be limited to waste management, construction, and health and safety of workers.</li> <li>- Potential temporary land access or permanent small-scale land acquisition required.</li> <li>- Potential for changes to benthic ecosystems where beche-de-mer are re-introduced.</li> </ul>	<ul style="list-style-type: none"> <li>- Locate infrastructure on government land where possible.</li> <li>- Obtain development approval/permits required by national and local regulations prior to construction.</li> <li>- Choose most appropriate timing for construction to avoid or minimize noise disturbance.</li> <li>- Design infrastructure in accordance with local climate and good environmental practices.</li> <li>- Disposal of waste in designated landfill.</li> <li>- Select beche de mer restocking locations in suitable habitats where they would naturally occur.</li> </ul>	<ul style="list-style-type: none"> <li>- Construction site is tidy and well managed.</li> <li>- Ecology of restocking locations (key species).</li> </ul>
<p>Solomon Islands</p>	<ul style="list-style-type: none"> <li>- Reduce fishing pressure on reefs by</li> </ul>	<ul style="list-style-type: none"> <li>- Educate communities on sustainable fishing</li> </ul>	<ul style="list-style-type: none"> <li>- Completion audit.</li> </ul>

<p>Introduction of ocean-side Fish Aggregating Devices (FADs).</p>	<p>improving catch effort for pelagic species near shore.                      - Potential to have more income and consistent protein intake for communities.                      - Potential to overfish pelagic species.                      - Potential to cause conflict among claimants to the fishing grounds.</p>	<p>techniques.                      - Ensure that proposed FADs deployment sites have proper records of fishing grounds ownership.                      - Governance of FADs at Community Levels.</p>	<p>- FAD monitoring / operational guidelines for communities.</p>
<p>Solomon Islands National Surveys of High Valued Species.</p>	<p>- Reliable data to support policy decisions and program implementation.                      - Potential to cause conflict among tribes/individuals over the reefs and sea ownership.</p>	<p>- Governance arrangements must be set up with authority of the community chiefs and elders.                      - Identify locations that have robust, reliable and well documented records of owners of the reefs and sea area.</p>	<p>-Consultations are well documented.                      - Stakeholders engagement through PFOs.</p>
<p>Solomon Islands - Seaweed Farming.</p>	<p>- An alternative source of diet and income for communities.                      - Potential to fuel conflict as some sites are favored over others.                      - Potential that sites identified to build warehouses might be disputed.</p>	<p>- Identify locations that have robust, reliable and well documented records of land ownership.                      - Ensure that Governance arrangements put in place have measures to deal with local disputes through the chiefs and elders.</p>	<p>- Consultations are well documented and ongoing.                      - Monitoring visits are undertaken to assess progress and risks and feed into ongoing project implementation.</p>
<p><b>Project activity</b></p>	<p><b>Potential impacts</b></p>	<p><b>Mitigation</b></p>	<p><b>Monitoring</b></p>

<b>Component 3: Sustainable Financing of the Conservation of Critical Fishery Habitats</b>			
<p>Identify and leverage oceanic protected area network finance mechanisms or Ocean Finance mechanisms.</p>	<ul style="list-style-type: none"> <li>- Downstream / long term impacts from financing mechanisms.</li> <li>- Loss of access to key resources that support subsistence livelihoods and local economy and livelihoods impacted disproportionately.</li> <li>- Social change and potential loss of social cohesion as a result of new revenue source and economic development.</li> <li>- Potential benefits for natural resource management in Pacific Island Countries.</li> </ul>	<ul style="list-style-type: none"> <li>- Full representation of various stakeholders in consultation with consideration for gender equity.</li> <li>- Design of transparent fiscal arrangements.</li> <li>- Environmental and social safeguards are integrated into the TOR and the outputs from the research into or development of finance mechanisms.</li> </ul>	<ul style="list-style-type: none"> <li>- Consultations are well documented.</li> <li>- Free, prior and informed consultation is adequately delivered and recorded.</li> <li>- Recommendations and deliverables have safeguards integrated.</li> </ul>

## V. LEGAL, POLICY FRAMEWORK AND REGULATORY REQUIREMENTS

### A. World Bank Safeguard Policies

35. Relevant Bank policies triggered for the PROP include OP 4.01 Environmental Assessment; OP 4.04 Natural Habitats; OP 4.36 Forests; OP 4.10 Indigenous Peoples; and OP 4.12, Involuntary Resettlement (outlined below). Detailed information on Bank safeguard policies available at <http://go.worldbank.org/4D2JSWFIW0>. In summary, the safeguard operational policies (OPs) that apply to the PROP include:

- OP4.01 Environmental Assessment – This policy requires the conduct of an environmental assessment (EA) of projects/programs proposed for Bank financing to help ensure that they are environmentally and socially sound and sustainable. This is the umbrella policy for the Bank's environmental and social safeguard policies. The EA needs to consider natural and social aspects in an integrated way and take into account the variations in project and country conditions; the findings of environmental studies; national policy and legislative framework, environmental action plans and institutional capabilities; and obligations of the country pertaining to project activities under relevant international environmental treaties and agreements.
- OP4.04 Natural Habitats - This policy aims to support the protection, maintenance and rehabilitation of natural habitats and promotes the conservation of natural habitats for long-term sustainable development through a precautionary approach.
- OP4.36 Forests - The policy aims to reduce deforestation, enhance the environmental contribution of forested areas, promote afforestation, reduce poverty and encourage economic development.
- OP4.10 Indigenous Peoples - This policy aims to protect the rights and culture of Indigenous Peoples who may live in the project area.
- OP4.12 Involuntary Resettlement - This policy aims to restrict the involuntary taking of land or any form of economic displacement of populations affected by or participating in World Bank financed activities; and where displacement is unavoidable, to assist persons to improve (or at least restore) their incomes and standards of living; and to identify and accommodate the needs of vulnerable groups.

36. The Environmental and Social Safeguard Instruments for Pacific Island Countries (ESSIP) have been used to inform the development of this ESMF.

**Table 3. World Bank Safeguard Policies triggered**

Safeguard Policies	Trigg ered	Why	Related Instrument
Environmental Assessment OP/BP 4.01	Yes	The aim of Phase 1 of the program is to help improve environmental and resource quality in the Pacific Islands Region in order to increase the	Current Environmental and Social Management Framework (ESMF) has been

	<p>economic benefits generated by the goods and services from healthy ocean ecosystems. As such, the overall impact of the program is expected to be highly positive and none of the eligible investments on the menu of options include activities that would generate significant risk or irreversible adverse impacts in the coastal or oceans fisheries targeted by the program. However, some investments under Components 1 and 2 may generate minor to moderate site specific and time bound adverse environmental impacts that can be readily mitigated through standard mitigation measures, when screened properly. Furthermore, under Component 1 Business plans can influence downstream infrastructure at docks/ports in Pacific Island Countries. Site specific impacts could result such as noise, waste, health and safety risks for workers, and discharges to the marine environment.</p> <p>Additionally, Component 3 (Sustainable Financing of the Conservation of Critical Fishery Habitats) might result in creation of Marine Protected Areas (MPAs), in which case any potential access restrictions will be addressed through a detailed Process Framework (Annex D).</p> <p>The project also envisages TA for sustainable financing and potential of protected areas, which may lead to potential minor environmental impact downstream. The Interim Guidelines on the Application of Safeguard Policies to TA Activities in Bank-Financed Projects and TFs Administered by the Bank is applied. Mechanism for administering safeguards in TA activities will include integration of safeguard policy requirements into the Terms of Reference of studies. As such, the safeguard documentation prepared for the project applies equally to the TA component(s) and Terms of References for the TA activities will be approved by the Bank to ensure the consultancy outputs comply with the Bank safeguard policies.</p> <p>At this stage in program, the specific investments that may generate minor to moderate adverse impacts include: small scale infrastructure works to allow for inspection of fish catch at landing sites, and restocking of bechê-de-mer including establishment of small scale drying facilities. Potential adverse impacts will be limited to waste</p>	<p>prepared to guide investments that may generate any adverse environmental impact. Screening form (Annex A) will be used to screen for environmental and social impacts.</p>
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		management, construction noise, and health and safety of workers.	
Natural Habitats OP/BP 4.04	<b>Yes</b>	Program activities will not involve significant loss or degradation of natural habitats. Most of the program activities will be in the marine areas (coastal and ocean) of the Pacific Island which are known sites rich in biodiversity. All program activities are designed to enhance positive and sustainable returns to these important habitats.	The current ESMF contains measures to properly manage the risk of any unforeseen adverse environmental impact on natural habitats, including critical natural habitats, as well as measures to enhance the program's positive environmental outcomes.
Forests OP/BP 4.36	<b>Yes</b>	The PROP program Phase 1 includes technical assistance to support the development of financing mechanisms for Marine Protected Areas and Ocean Finance mechanisms (through the FFA PROP Project), both of which could influence conservation incentives for coastal communities to conserve the mangrove habitats downstream of PROP. Hence, the policy is triggered.	The current ESMF includes a Screening form (Annex A) to ensure that the negative impacts on mangrove forests of any downstream activities from the project TA are addressed, and any positive impacts enhanced. The TOR for the studies proposed will integrate OP 4.36 policy requirements.
Pest Management OP 4.09	<b>No</b>	The projects identified will not purchase, distribute, apply or dispose of pesticides, including bactericides.	Not applicable
Physical Cultural Resources OP/BP 4.11	<b>No</b>	The project will not involve any major civil works. In the Solomon Islands, it will support the construction of an enforcement center for fisheries surveillance in Noro, Solomon Islands and possibly support design (only) of an enforcement center in Honiara. Additionally, small scale infrastructure works are foreseen to allow for inspection of fish catch at landing sites and restocking of beche-de-mer and establishment of the associated small scale drying facilities. Given the small-scale works involved, the policy is not triggered. A chance finds procedure is included in Annex E and will be included in respective ESMPs.	Not applicable A Chance Finds Procedure is included in Annex E and will be detailed in respective ESMPs.



<p>Indigenous Peoples OP/BP 4.10</p>	<p><b>Yes</b></p>	<p>Although OP4.10 does not apply in all participating countries, this policy has been triggered as the project has a regional scope, and because specific sites and activities were not identified at the project preparation stage. It is possible that the project will affect Indigenous Peoples to some extent. Because the project beneficiaries are expected to be overwhelmingly indigenous peoples, the approach adopted will be to incorporate the elements of an IPP into overall project design.</p> <p>In PROP Phase I, the only country where the policy will be triggered is the Solomon Islands. Annex B of the ESMF provides guidance on incorporating elements of an IPP into overall project design.</p>	<p>Guidance provided in Annex B of ESMF for the incorporation of elements of an IPP into overall project design.</p>
<p>Involuntary Resettlement OP/BP 4.12</p>	<p><b>Yes</b></p>	<p>Project activities may require small-scale coastal land acquisition. It is expected that market-based or voluntary donation will be the common approach for securing land for project purposes but that existing government land will be utilized where possible. Any voluntary land donations will meet the World Bank requirements through the application of the Voluntary Land Donation Protocol detailed in the RPF (Annex C).</p> <p>Although it is considered unlikely, certain program activities may involve the involuntary acquisition of land and/or removal of assets. Accordingly, the policy will be triggered and a Resettlement Policy Framework (RPF, presented in Annex C) has been prepared. Additional safeguard instruments such as Abbreviated Resettlement Action Plan (ARAP) and Voluntary Land Donation Protocol are included in the RPF for this purpose. ARAPs will ensure that all affected persons are compensated for involuntary acquisition of land and/or removal of assets at full replacement cost.</p> <p>In case of downstream establishment of the MPAs, which could potentially restrict access to resources, IAs will select appropriate safeguard instrument(s) according to the responsibilities defined in the ESMF (Annex A, and in particular the Process Framework, Annex D).</p> <p>For RMI, the appropriate safeguards under this policy are already incorporated in the</p>	<p>To address potential restriction of access to resources, a Process Framework (PF) has been prepared in compliance with requirements stated in OP 4.12 (See Annex E of the ESMF).</p> <p>Resettlement Policy Framework (RPF) (Annex C) and Voluntary Land Donation Protocol (Annex D) guide the process on involuntary land acquisition, loss of access, and/or removal of fixed assets or access to assets including structures, crops, trees, etc.</p>

		Reimaanlok process.	
Safety of Dams OP/BP 4.37	<b>No</b>	Neither this project nor the possible downstream investments from project's TA will involve building dams nor depend on an existing dam.	Not applicable
Projects on International Waterways OP/BP 7.50	<b>No</b>	Following discussion with LEGEN and the RSA, it was agreed that there will be no impacts from this project or its possible downstream investments on international waterways as described under OP 7.50.	Not applicable
Projects in Disputed Areas OP/BP7.60	<b>No</b>	Any project activities in areas which may be disputed will be declared ineligible and not included in the project.	Not applicable

***B. Region-specific policy, legal and administrative framework and applicable rules and regulations.***

37. **International institutional context.** The program is set within a complex array of international instruments, some legally binding, some voluntary, that have emerged over the last few decades in response to these declines and growing concerns about the need for more effective management of ocean resources. Key legally binding instruments are the 1982 United Nations Convention on the Law of the Sea (UNCLOS), the 1995 UN Fish Stocks Agreement<sup>5</sup> (UNFSA), and 1993 FAO Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas. Key voluntary instruments are the 1995 FAO Code of Conduct for Responsible Fisheries and associated International Plans of Action to manage overcapacity; illegal, unreported, unregulated (IUU) fishing; as well as FAO Technical Guidelines for Responsible Fisheries; managing excess fishing capacity; ecosystem and precautionary approaches; integrated management; marine protected areas and fisheries; responsible trade – together with the 2012 FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, with the purpose of promoting secure tenure rights and equitable access to land, fisheries and forests as a means of eradicating hunger and poverty, supporting sustainable development and enhancing the environment. The project is fully consistent with the requirements and guidance provided by these instruments, with the major concern being their full and effective implementation (e.g. FAO SOFIA 2012).

38. The reported declining trends in many highly migratory fisheries can be attributed largely to the current weaknesses in institutional arrangements that govern access to these resources and the ways in which they are exploited. These weaknesses have led to poor fisheries performance – a classic *tragedy of the commons* played out in many parts of the world (Hardin 1968, but also

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<sup>5</sup> Relating to the conservation and management of straddling fish stocks and highly migratory fish stocks.

explored in World Bank 2009 – the *Sunken Billions*<sup>6</sup>). Economic spillovers or externalities are particularly acute in shared highly migratory stocks where fleets compete in a *race to fish*, to capture rents from these valuable species. Competition occurs at multiple levels – within and between adjacent states, and between states’ EEZs and areas beyond national jurisdiction (ABNJ).

39. UNFSA is of particular relevance to this program. This instrument specifically addresses the conservation and management of straddling, highly migratory stocks. Consistent with the UNCLOS, the UNFSA obliges states *inter alia* to agree measures to ensure the optimal utilization of these stocks either through bilateral arrangements or through regional organizations. UNFSA provides that such measures take account of ‘special conditions’ of developing States (such as economic dependency) and that *any management measures established for ABNJ in respect of these stocks do not undermine the effectiveness of management measures adopted by coastal States within their jurisdictions*. In this regard, given the crucial importance of stakes held in these shared fisheries to the current and prospective economic wellbeing of several of our Bank clients, and the fact that these stakes risk being undermined unless effective fisheries management arrangements for *both* ABNJ and EEZ<sup>7</sup> are established, UNFSA provides a powerful institutional rationale for World Bank engagement through this project (and through the overarching FAO led GEF ABNJ Program) in efforts to improve the management of these vitally important fisheries<sup>8</sup>.

40. **Regional context.** While the threats are significant and the trends are negative, the Pacific Ocean is still relatively healthy in comparison to other regions of the world, so PICs are well-positioned to be proactive in addressing these challenges. Like the Pacific Ocean, the systems within it are interconnected and interdependent, leading to regional responses to the constraints and opportunities that this natural asset provides. Encouragingly, PIC institutions are adapting to address these issues, in particular through supporting the development of a fixed number of clearer use rights for the tuna fisheries. Beginning in 2009, the eight Parties to the Nauru Agreement (PNA)<sup>9</sup> countries *established a fishing vessel day scheme (VDS)* to govern access to the tuna in their waters, whereby a fixed number of transferable fishing days was

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<sup>6</sup> It is important also to note the significance of effective fisheries management in the context of declining trends and the race to fish. FAO’s *From Drain to Gain in Capture Fisheries Rents – A synthesis study* (2010) notes that “negative to zero rents yielded by world capture fishery resources are reflected in the state of the resources themselves.” And that although 75 percent of the capture fishery resources are characterized as being fully exploited, overexploited, depleted or recovering from a biological perspective, this invariably implies these are all overexploited from an economic perspective i.e. from an “economic perspective, 75 percent of the global capture fishery resources are overexploited (World Bank and FAO, 2009)”.

<sup>7</sup> Including territorial seas and archipelagic waters

<sup>8</sup> Nothing in the Bank’s legal and policy architecture prevents it from providing financing for activities related to ABNJ as long as the implementation arrangements are made through an entity that has the mandate to implement activities in ABNJ [Section 3 of the IDA Articles and Article XI: Section 2(g) of the IBRD articles refer to the “territorial application” of the articles as being each signatory government on its own behalf (including its territories). IDA Articles also note that the beneficiaries of Bank financing can include a public international or regional organization, such as an RFMO].

<sup>9</sup> FSM, Kiribati, RMI, Nauru, Palau, PNG, Solomon Islands and Tuvalu. More than half of the WCPO purse seine tuna catch, and about a quarter of the world supply of canning-grade tuna, comes from the exclusive economic zones of these 8 PICs.

established at the regional level and allocated to each country based on historical catch levels, and then sold by those countries to the fishing industry. This innovation has significantly enhanced efficiency and revenues to PICs, more than quadrupling the returns to the region in the last five years from US\$60 million per year to US\$240 million. There is room for further improvement in this system however, as some countries have exceeded the number of days allotted to them at the expense of the health of the resource, as well as engaged in bi-lateral agreements outside the VDS. With further strengthening the VDS offers an institutional platform for PICs to continue to increase the region's share of the benefits generated by the tuna resources, however maintaining the status quo runs the risk of the system coming apart if individual countries work outside the collective arrangements and agreed limits on fishing pressure.

41. Additionally, at the regional level the PICs have adopted an '*oceanscape*' approach, aiming to establish and effectively manage multi-use marine areas that reflect the archipelagic nature of the region. Collaborative multi-country conservation arrangements such as the Micronesia Challenge and the Coral Triangle Initiative, as well as national commitments such as Kiribati's Phoenix Islands Protected Area, and large-scale shark sanctuaries established by Palau, Tokelau and Marshall Islands provide good examples of such areas, and are potentially valuable platforms for investment in the protection and restoration of critical habitats.

42. Such initiatives also provide powerful test cases for the use of innovative sustainable financing mechanisms linked to benefits from ecosystem services, many of which may flow beyond national boundaries. At the same time, smaller local initiatives such as those mediated by the Locally Managed Marine Areas network (LMMA) and other community-conservation NGOs have also delivered significant results in the region.

43. PICs have developed a number of regional policies and initiatives to address ocean related issues within the framework of *the Pacific Plan*, which was adopted by PI Forum leaders in 2005 as the master strategy for PI regional integration and coordination. The Pacific Islands Regional Ocean Policy (PIROP) and the Pacific Islands Regional Ocean Framework for Integrated Strategic Action (PIROF-ISA) were approved by leaders in 2002 and 2005 respectively, and aim to ensure the sustainable use of the Pacific Ocean and its resources through: (a) improving our understanding of the oceans; (b) sustainably developing and managing the use of ocean resources; (c) maintaining the health of the ocean; (d) promoting the peaceful use of the ocean (e) improving ocean governance; and (f) creating partnerships and promoting cooperation.

44. *The Pacific Oceanscape Framework ('Oceanscape')* was subsequently developed and endorsed by the 2010 PI Forum, where leaders tasked CROP to implement the Framework in partnership with other relevant organizations. The Oceanscape aligns with the broader goal of the PIROP, and this in turn supports aspects of the Pacific Plan, which addresses the whole development spectrum. A number of CROP agencies, development partners and international conservation NGOs have been supporting countries in the implementation of the PIROP and, now, the Pacific Oceanscape Framework.

45. Among other initiatives, the Oceanscape includes the design, establishment and effective management of multi-use marine areas that reflect the archipelagic nature of the region. Collaborative multi-country conservation arrangements such as the Micronesia Challenge and the Coral Triangle Initiative, as well as national commitments such as Kiribati's Phoenix Islands Protected Area, and large-scale shark sanctuaries established by Palau, Tokelau and Marshall Islands provide good examples of such areas, and are potentially valuable platforms for investment in the protection and restoration of critical habitats. Such initiatives also provide powerful test cases for the use of innovative sustainable financing mechanisms linked to benefits from ecosystem services, many of which may flow beyond national boundaries. At the same time, smaller local initiatives such as those mediated by the Locally Managed Marine Areas network (LMMA) and other community-conservation NGOs have also delivered significant results in the region.

### ***C. Regulatory Framework and Gap Analysis***

46. **Country specific** social and environmental regulations and the relevant approval, permitting and licensing obligations to process and execute the program/project for each country of Phase I is summarized below. The fisheries legislation dates from 1998 to 2018 and generally provides a good basic framework. It is also discussed below. A regional treaty implements Article 73 for US vessels/crew.

47. **Federated States of Micronesia: Marine Environment Regulations.** Constitution 1975 expressly delegates to the national government natural resources beyond 12nm. Title 24 of the Code of the FSM is the (new subtitle) *Marine Resources Act 2002* (Chapters 1-11 including new Chapter 6 on Enforcement and Chapter 2 establishing National Oceanic Marine Resources Authority **NORMA**). Amendment concerning management of species has been tabled in 2014.

48. The FSM government is mandated through the nation's constitution to provide overarching laws and regulations associated with the nation's marine environment and resources for the nation. The Economic Exclusive Zone (EEZ) extends out to 200 nautical miles and is under national laws. Due to the traditional and customary traditions of the various ethnic groups that make up the FSM and their traditional coastal and marine ownership patterns, the regulation of marine resources within 12 nautical miles (22.22 km) of the coast has traditionally been considered the legal province of the States. Therefore, the States are ultimately responsible for protection of their marine resources within the 12-mile limit. However, national legislation associated with resource management within this zone is mandatory at the state level.

49. Through Article IX of the FSM Constitution provides a long list of powers to the Congress, including regulation of the ownership, exploration, and exploitation of natural resources beyond 12 miles from island baselines. National legislation pertaining to the management and protection of marine environment include:

- **Federated States of Micronesia Code (FSCMC) Title 18 – Territory, Economic Zones and Ports of Entry** establishes the 200 mile extended fishery zone of the National Government and the 12-mile exclusive fishery zone of the States, their islands, and atolls.

Section 106 states that traditionally recognized fishing rights in submerged reef areas shall be preserved and protected.

- **FSMC Title 24 – Marine Resources** creates the Micronesian Maritime Authority, now known as National Oceanic Resource Management Authority (NORMA), which regulates the management and exploitation of marine resources within the 200 mile (322 Km) Exclusive Economic Zone (EEZ), addresses foreign fishing agreements, and administers the fishing permit system. Provision is also made for the States to establish entities to regulate commercial use of marine resources within their jurisdictions.
- **FSCMC Title 23, – Resource Conservation** addresses conservation of marine species and protection of endangered species of fish, shellfish and game. It prohibits fishing using destructive methods, including the use of explosives, poisons or chemicals. It also sets limits on the taking or killing of hawksbill sea turtles and regulates the taking of sponges. Penalties for violation of its provisions are inadequate, with a fine up to \$100 and/or six months imprisonment. Chapter Two of this Title allows for taking of these species for subsistence food or traditional uses, provided such taking does not further endanger the species involved.
- **Environmental Protection Act** protects the environmental quality of air, land and water in Micronesia. The Secretary of Health, Education and Social Affairs (HESA) is given general authorization to control and prevent pollution. The Secretary administers a permit system for this purpose and is also authorized to enter into cooperative agreements with the States to implement environmental programs at the State level. The Act contains ample civil penalties for violations of its provisions.
- **Federated States of Micronesia: Land Acquisition.** Principal FSM and State laws include: (i) FSM Constitution; (ii) Yap State Constitution; and (iii) Division of Land Resources procedures (including Land Registration Bill 2010). Land Acquisition Procedures (LAP) were developed by the Attorney General solely for the purpose of The Yap Renewable Energy Development Project. The LAP describes detailed procedures on land survey and resolution of disputes, acquisition of land by the State and transfer of land to the Yap State Public Service Corporation. The Yap State Standing Lease Committee (YSSLC) was responsible for the coordination and execution of land acquisition and compensation processes.

50. **Federated States of Micronesia: Marine Management.** National government legislation governs the management of State’s inshore coastal and marine resources as well as FSM’s Economic Exclusive Zone (EEZ) which extends out to 200 nautical miles. Both Yap and Chuuk State governments are responsible for management of marine resources on behalf of the landowners within State Fishery Zones (up to 12nm) as defined in the Yap State Code and Chuuk State Code. Yap State’s Marine Resources Management Division (MRMD) is mandated to manage the States inshore marine resources in collaboration with other State government divisions and agencies and laws provide various levels of protection and management of coastal and marine resources including coconut crabs, turtles, giant clams, Trochus and complete ban on the use of fish poisons and explosives for fishing.

51. The Department of Marine Resources – Development (DMRD) is governed by the Chuuk State Law 5-92. The Chuuk State Constitution recognizes all traditional rights and ownership over all reefs, tidelands, and other submerged lands subject to legislative regulation of their

reasonable use. Tidelands traditionally are those lands from the dry land to the deep water at the edge of the reef, and must be shallow enough for Chuukese women to engage in traditional methods of fishing. The management and/or protection of coastal and marine resources include only a total ban on the use of explosives (dynamite fishing) and the sale of fish collected using this method. There are currently no other laws in the Act that place restrictions on species or methods of harvest. The FSM regulations that protect the harvest of turtles and their eggs, the collection of black pearl oyster (*Pinctada margaritifera*) and Trochus are not included in the Act.

52. **Republic of the Marshall Islands: Marine Resources Regulations.** Constitution 1982 and Marshall Islands Revised Code 2012. This is Public Law 2011-63 that included significant amendments to Title 51: Management of Marine Resources: Marine Resources Authority Act 1997 (Chapter 1) and the Fisheries Enforcement Act 1997 (Chapter 5). Amendments were also made to conservation measures in the Fisheries Act 1997 (Chapter 2) and Fisheries Access and Licensing Act 1997 (Chapter 4) but no changes to Local Fisheries (Chapter 3). Fisheries regulations are: a) Marshall Islands Marine Resources Regulations 1988; b) Fishing License (Third Implementation Arrangement) Regulations of 2009; c) Sea Cucumber Regulations of 2012; and d) Aquarium Fishery Regulations of 2015.

53. Aquaculture and the control of fishing. The *Marine Zones (Declaration) Act 1984* specifies a 12 nautical mile territorial sea and 200 nautical mile zone for RMI's EEZ. Inshore fisheries are designated to be within 5 miles of the shoreline. The *Marine Resources Act 1997* is the key legislative instrument controlling fishing by domestic and foreign vessels within the EEZ and was amended in 2011. The *National Environmental Protection Act 1984* is the key legislative instrument for environmental conservation in the Marshall Islands. The *Environmental Impact Assessment Regulations 1994* may require many small projects under PROP to obtain a local permit.

54. **Republic of the Marshall Islands: Marine Management.** Marshall Islands Marine Resource Authority (MIMRA) was established in 2007 with primary responsibility for the management and regulation of marine and fisheries resources, exploration, fishing licenses and conservation in RMI. MIMRA facilitate community-based resource management plans in outer islands through the *Reimaanlok* process and support from the Coastal Management Advisory Council (CMAC). Guiding documents on the Reimaanlok process have been developed and incorporate tools on community engagement for the management of community-based conservation areas (Reimaan National Planning Team 2008 and 2012).

55. **Republic of the Marshall Islands: Land Acquisition Act** (1986) is the key legal instrument for the acquisition of land for public purpose by the Minister. The LAA was revised in 2012 and includes provisions for investigation activities, notification periods, rights and compensation for landowners.

56. **Tuvalu: Marine Environment Regulations.** Constitution 1987 (UK Common law system) has a *Marine Resources Act 2006* that has been amended in 2012 to meet international and regional responsibilities. There is a *Maritime Zones Act 2012* (declarations of archipelagic

baselines and EEZ) and two relevant regulations in 2000 (VMS) and 2009 (PNA closure of High Seas). Tuvalu has expressed a need to update legislation to further implement regional arrangements in the RFMO: Western Central Pacific Fisheries Commission (WCPFC) such as IUU and Port State measures.

57. Environmental protection is governed by the *Conservation Areas Act 1999* and *Environmental Protection Act 2008*. Fisheries in Tuvalu are legislated by the *Marine Resources Act 2006*. The *Maritime Zones Act 2012* outlines the territorial sea and other key maritime zones, including the EEZ at 200 nautical miles. Section 8 of the *Marine Resources Act 2006* outlines the responsibilities of Fisheries Officers in Tuvalu regarding the development of fisheries management plans. Fisheries Officers are responsible for carrying out consultations and gaining approval on plans from the relevant Falekaupule

58. **Tuvalu: Marine Management.** Tuvalu's coastal fisheries are under the Falekaupule which is a traditional institution comprising traditional leaders formed to handle traditional matters in Tuvalu. The Kaupule (Council) on each of the nine islands is the executing arm of the Falekaupule whom develop strategic plans that align to Kakeega II (the Tuvalu National Development Plan 2005-2015). The Fisheries Department of Tuvalu (TFD) aims to conduct resource and socio-economic assessments in selected islands, and provide ongoing support to each of the islands to develop and implement management plans that would be approved by the island councils. The community on each island has formed a fishers' association, which operates under the umbrella of the national Tuvalu Fishermen's Association, and has in most instances led the development of some form of management measures for approval by the Kaupule. The presence of sub-communities from all of Tuvalu's islands leads to reduced compliance of decisions made by the Funafuti Kaupule (Town Hall), which itself has limited capacity in fisheries management.

59. **Land acquisition.** The *Native Lands Act* is an act relating to Native land and registration of title thereto. It establishes the principle of indefeasibility of native title to land once it had been registered by the Commission. (s 4). Native lands shall not be alienated whether by sale, gift, and lease or otherwise, to a person who is not a native. (s 5) However, native lands may be alienated to the Crown by lease. (s 5(2)). Tuvalu Lands Code is a subordinate law to the Tuvalu Lands Act. It is largely a codification of customs and practices governing land rights and inheritance of customary land for each island of Tuvalu. The *Crown Acquisition of Lands Act* is a law to regulate the acquisition of land by the Crown for public purposes. The Act provides power of the Minister to acquire any lands require for any public purpose absolutely or for a term of years or the Minister may think proper. It prescribes the process in the event the Minister is to exercise such power.

60. **Solomon Islands: Marine Environment Regulations.** Constitution 1978 (UK Common law system) has the oldest *Fisheries Act 1998*. However, this has been superseded by the Fisheries Management Act 2015. Solomon Islands also has the National Plan of Action for IUU. The most recent Regulations to implement regional conservation and management measures for the purse seine fishery: *Fisheries (Parties to the Nauru Agreement (PNA) Third Implementation Arrangement) Regulations 2010*. There is national legislation that implements the *Treaty on*



*Fisheries between the Governments of Certain Pacific Island States and the Government of USA 1987*. This is the *Fisheries (USA) Treaty Act 1988* and implements Article 73 UNCLOS for USA vessels and crew. There are also new fisheries regulations that have been put in place to strengthen the management of fisheries, namely the Fisheries Management Regulations 2017 and the Fisheries Management (Prohibited Activities) Regulations 2018 which will be gazette in the month of August 2018. The Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM) in the Solomon Islands is responsible for national coastal resource and biodiversity planning and key legislation on natural resource management including the *Environmental Act 1998*, *Environmental Regulations 2008* and Environmental Impact Statement (EIS) guidelines. The EIS guidelines (2013) and Social Impact Assessment (SIA) guidelines for Onshore Fisheries Processing Facilities (forthcoming) set out the process for the preparation of an EIS and require that an EIS be made publicly available and ensure public participation. Key legislation includes the *Fisheries Management Act 2015*, Fisheries Management Regulations 2017 and Fisheries Management Regulations (Prohibited Activities 2018), Under the *Provincial Government Act 1997* and the *Fisheries Management Act 2015* the Provincial Government has decentralized responsibilities for coastal fisheries management and is able to make specific laws or ‘ordinances’ for fisheries that are locally relevant (e.g. Western Province Fisheries Ordinance 2011, Choiseul Province Fisheries and Marine Environment Ordinance 1997, among others). Communities are also given the mandate to establish community management plans which will be endorsed by the Provincial and National Government. In addition, MECDM have responsibility for the *Protected Areas Act 2010* and *Protected Areas Regulations 2008* which provides a legal framework for the ‘owner’ of an area to declare, register and manage this area as a protected area (if approved by the Director). This process requires thorough consultation with traditional leaders, customary owners, communities, non-government organizations (NGOs) and other agencies to inform the development of a suitable management plan for the proposed area.

61. **Land and Marine Tenure and Legislation.** Customary tenure and governance systems are recognised in various national legislative instruments including the *Land and Titles Act 1996*, *Customary Lands Records Act 1996* and the Constitution of the Solomon Islands. Article 75 of the Constitution provides that Parliament shall make provisions for the application of laws, including customary laws and customary rights over land and marine areas. The Land and Titles Act outlines provisions for the acquisition of land for public purpose including compensation process and costs.

62. **Solomon Islands: Marine Management.** The Ministry of Fisheries and Marine Resources (MFMR) Corporate Plan 2014-2018 and the Fisheries Section in the Solomon Islands National Development Strategy 2016 -2035 are guiding policies for the development of the Fisheries sector in the Solomon Islands. Division I Section 18 of the *Fisheries Management Act 2015* will give Community Fisheries Management Plans (CFMP) legal recognition as a by-law upon adoption by the Provincial Assembly and must include written consent of customary rights holders. MFMR is also currently working on finalizing a National Oceans Policy and a Fisheries Management Policy.

63. **Adherence to the United Nations Convention on the Law of the Sea (UNCLOS).** In order to be eligible for World Bank financing for fisheries enforcement, a country's fisheries legislation must be compatible with international law, and particularly with Article 73 (paragraphs 2, 3 and 4) of the UNCLOS, whereby any foreign vessels and crews detained in the EEZ will be immediately released upon posting a reasonable bond, and the flag state of the vessel is immediately notified.

64. Legal analysis conducted of the national legal framework of FSM, RMI, Solomon Islands and Tuvalu and the extent to which the framework includes specific UNCLOS provisions, showed that all four PICs have embraced and adapted to the UNCLOS (and EEZ) regime. No inconsistencies, as such, were found in national legislation. All are parties and active participants in regional fisheries management organizations (RFMO) such as the Western and Central Pacific Fisheries Commission for Highly Migratory Fish Stocks (WCPFC). All four are members of the FFA and relevant regional Conservation Agreements and Surveillance Treaties. Most have also adopted standard license conditions in national legislation with technical assistance from FFA.

65. None of the countries has legislation which expressly implements all conditions required in Article 73, paragraphs (2), (3) and (4). As such, PROP is designed to assist in the development of any revisions or additions to legal frameworks that may be needed, and a conducting a rolling regional review of the functions and services required to manage tuna fisheries and identify opportunities for regional, sub-regional and national level location and provision of fisheries management services (e.g. management, science, monitoring and surveillance and enforcement hubs, etc.).

66. As most States have Oceanic fishery units of limited staff with limited means to enforce their national laws, PROP will provide support to participating countries to strengthen and increase their collaboration for surveillance of fisheries and enforcement of the VDS, such as establishing, where needed, monitoring centers and observers; and enhanced aerial and sea patrols.

## **VI. PROCEDURES TO ADDRESS ENVIRONMENT AND SOCIAL IMPACTS**

67. Screening of proposed activities for environment and social impacts will be done by the Project implementing agencies according to the template screening form presented in Annex A. The screening of the activities for adverse environment and social impacts and the preparation of appropriate safeguard instruments for each activity plan will be guided by this Environment and Social Management Framework (ESMF). The World Bank and implementing agencies, who implement the project activities in each identified country, have the overall responsibility for ensuring that environmental and social issues are adequately addressed within the project cycle, as described in Table 4.

68. Technical assistance will be provided by the project, and as such the Bank's *Interim Guidelines on the Application of Safeguard Policies to Technical Assistance (TA) Activities in*

*Bank- Financed Projects and Trust Funds Administered by the Bank* will apply. Accordingly, Terms of References for the TA activities will be approved by the Bank to ensure the consultancy outputs comply with the Bank safeguard policies.

69. The bank classifies the proposed project into one of three categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts.

- **Category A** downstream projects are those that have potential significant adverse environmental and social impacts that are (i) sensitive (i.e., a potential impact is considered sensitive if it may be irreversible - e.g., lead to loss of a major natural habitat, or raise issues covered by OP 4.04, Natural Habitats; OP 4.36, Forests; OP 4.10, Indigenous Peoples; OP 4.11, Physical Cultural Resources; or OP 4.12, Involuntary Resettlement; or in the case of OP 4.09, when a project includes the manufacture, use, or disposal of environmentally significant quantities of pest control products); (ii) diverse, or unprecedented; and/or, (iii) affecting an area broader than the sites or facilities subject to physical works. Since the PROP projects are all Category B, sub-projects classified as Category A will be ineligible for funding.
- **Category B** downstream projects are those projects that have potential adverse environment and social impacts that are less adverse, site-specific; and few if any of the impacts are irreversible.
- **Category C** downstream projects are those projects that have minimal or no adverse environmental and social impacts.

70. Safeguards instruments will include the following as appropriate:

- **Limited Environment and Social Impact Assessment (ESIA).** A limited ESIA is undertaken for Category B projects that will require additional project-specific data/information and further analysis to determine the full extent of environment and social impacts, which cannot be supplied by an Environment and Social Management Plan (ESMP) and/or an Environmental Code of Practice (ECOP).
- **Social Assessment (SA).** Sub-projects where OP 4.10 Indigenous Peoples policy applies will be required to undertake a social assessment and free, prior and informed consultations. The social assessment may be undertaken as a separate exercise or may be included as part of a broader ESIA and will inform safeguard instruments. Assessment results may be presented as a stand-alone social assessment document, or may be incorporated into the broader ESIA. An Indigenous Peoples Plan (IPP) will be prepared, unless the overwhelming majority of beneficiaries are considered indigenous and the requirements of an IPP will be included in the sub-project design.
- **Environmental and Social Management Plan (ESMP).** For projects that do not require additional data and analysis, an ESMP may be prepared to address construction-related and site-specific environment and social issues.

- **Environmental Code of Practice (ECOP).** For construction-related impacts, an **ECOP** should be sufficient to address environment and social issues.
- **Abbreviated Resettlement Action Plan.** Following the requirements of the RPF (Annex C) an Abbreviated Resettlement Action Plan will be prepared to address safeguard issues related to the potential loss of fixed assets including structures, crops, trees, etc. during implementation if required, as well as voluntary land donation where the community is of direct benefit.
- **Plan of Action:** Under the Process Framework (Annex D), a Plan of Action may be required where there is the likelihood of restriction of access to marine resources, where this has been imposed on a community (and not developed by the project-affected-people).

71. IAs will prepare and submit screening documents and safeguards instruments to the Bank for review and approval.

72. During project implementation, the implementing agency will be responsible for ensuring the safeguards requirements are properly implemented. Each country and the FFA will be responsible for supervision of their respective safeguard requirements.

### **Safeguard Procedures**

73. **Step One – Screening.** Each project activity will be screened by the IAs in the specific country according to the following decision-support tree:

- Does the activity have potential to cause adverse impact (social or environmental) building on the type of impacts possible found during scoping and now relevant to precise place and context of proposed activity?
- If no, the activities are cleared from a safeguard perspective.
- If yes, are the impacts irreversible?
- If yes, the activity is excluded.
- If no, do any of the activities result in any impact listed under Table 5 (the ineligibility list)?
- If yes, the activity is excluded.
- If no, can the impacts be reasonably avoided, minimized and mitigated with known measures?
- If no, the activity is excluded or a compensation/offset plan is added to the appropriate safeguard instrument.
- If yes, identify the appropriate safeguard instrument to be prepared to describe the impact, list the known mitigation measures, assign roles and responsibilities and estimate a budget for execution.
- Prepare required instrument and seek/gain approval from World Bank.

74. **Step Two – Determine safeguard instrument.** Following this, each project activity will be screened using the ineligible list in Table 5 and screening form in Annex A. The form is used by the IA to determine the appropriate safeguard instrument required according to the type of activity and possible level of impact or disturbance. For instance, the primary safeguard instrument for civil works is likely to be an environmental assessment (EA) or limited EA.

75. **Step Three – Assessment.** Parameters for environmental and social impact assessments (ESIA) and associated studies should be defined by IAs at the outset. Environmental and Social Assessments (EA/SA) will be undertaken by qualified independent consultants or technical specialists to identify the level of adverse impacts of subprojects and proposed activities prior to any works taking place. Impacts will be assessed according to an impact matrix outlined in the EA/EIA report, which specifies the criteria that determined the adverse impacts to be either: negligible, minor, moderate, major or significant/irreversible in magnitude (or equivalent rankings such as high, medium, low), and aligned to requirements under OP4.01 Environmental Assessment and national EA/EIA regulations in participating countries

76. The level of detail in the EA for Category B subprojects will depend on the nature and scale of the proposed subproject. The process and preparation of EA documentation will primarily be guided by national legislation on EIA, ECOPs, and development consent regulations where these are adequate to meet Bank safeguard requirements. For instance, if a project does not require an EA under local regulations but is Category B, an EA will be required under the project in full compliance with OP4.01.

77. The assessment should include a sound understanding of the existing environment and sociocultural context developed through conducting baseline environmental conditions includes land use, water and air quality, biodiversity, soils, geology, topography, pollution, climate, physical cultural resources, and socio-economic (census) baseline surveys.

78. Under OP4.10 and OP4.12, a Social Assessment (SA) is required for Category B subprojects where communities or individuals may be adversely impacted. The SA will determine the degree to which communities and identified Indigenous Peoples (if present) could be adversely affected by project activities (e.g. siting of infrastructure and construction work). The level of detail required for the SA depends on the extent to which they are likely to cause adverse social impacts, which are often related to land use, land access and livelihood sources. The potential magnitude of impact will be determined through stakeholder consultations, sites visits and previous experience.

79. Mitigation measures will also form part of the EA/SA documentation. Such measures will be developed in accordance with national legislation, applicable ECOPs, design standards and technical specifications where relevant to help prevent potential environmental impacts. The Bank will review and clear the safeguards instruments prepared by the subproject beneficiary for impact identification and appropriateness of proposed mitigation measures.

80. **Step Four – Prepare Plans.** Once the appropriate safeguard instrument has been identified and a proper assessment of potential project-induced social and environmental impacts that could arise during implementation is complete, Management or Action Plans will be prepared. Project- and subproject-specific plans are prepared for Bank review and approval during implementation, as and when relevant information becomes available. Plans may relate to either environmental aspects and mitigation (such as Environmental Management Plan), or social aspects and mitigation measures.

81. For subprojects with identified risks and impacts (Category B), an EMP/ESMP is included as part of the EA process for all subprojects and will form part of bidding documentation and contractual obligations for works. For subprojects with very limited risks and impacts (Category B/C), ECOPs or equivalent guidelines can be applied.

82. **Step Five – Implementation of Mitigation Measures.** Mitigation and management measures outlined in the EMP (e.g. site selection criteria, diligent construction management, control measures) will be implemented by contractors and/or IAs, and supervised by the safeguards advisor.

83. **Step Six – Monitoring and Reporting.** Monitoring is required to gather information to determine the effectiveness of implemented mitigation and management measures and to ensure compliance of the contractor with the approved EMP. Environmental indicators will be defined when mitigation measures are confirmed and the National Coordinator will be tasked with monitoring compliance by contractors throughout implementation. Monitoring methods must provide assurance that safeguard measures are undertaken effectively. Some activities may require monitoring beyond the construction phase or project life to address maintenance, closure or rehabilitation issues and this will be determined in the design stage. A completion audit should be undertaken once the subproject is complete. Reporting by the safeguards will be done six-monthly to coincide with reporting to the World Bank.

## VII. PUBLIC CONSULTATION AND INFORMATION DISCLOSURE

84. **Consultation to date.** A Fisheries Engagement Strategy took place in 2011/2012 with various stakeholders regarding the possibility of a coordinated regional project to provide financing and technical assistance to support continued sustainable development of the marine fisheries. Extensive consultations across PICs were undertaken to conceptualize and agree on the key components of PROP. Over the last two years, further consultations have taken place to better understand the context and dimensions of fisheries at the national and subnational level fisheries and inform project design.

85. **Regional consultations.** A meeting was held on August 15, 2014 in Majuro RMI with representatives from the fisheries agencies of *FSM (NORMA)*, *RMI (MIMRA)*, *Solomon Islands (MFMR)* and *Tuvalu (TFD)* to discuss the PROP design, financing and safeguard requirements. Apart from the representatives from the implementing agencies of each participating country, meeting included the representative from the FFA, the Parties to the Nauru

Agreement Office (PNAO) and the Pacific Community (SPC). The mission reached agreement with NORMA, MIMRA, MFMR, TFD and FFA (implementing agencies) on the process of preparing and incorporating safeguard instruments in the implementation arrangements. See Annex F for consultation minutes.

86. The draft ESMF was shared with each IAs a few weeks before this regional meeting took place, which allowed the stakeholders to get familiar with the bank safeguard policies and the implementation requirements. After the consultations, countries worked with the FFA and agreed on the final version of this ESMF, which was formally submitted to the Bank on September 23, 2014 by the FFA on behalf of all IAs. Subsequently the ESMF was updated and re-disclosed in member countries in June 2015.

87. The ESMF was updated again in 2018 to reflect the restructuring of three programs, the RMI, the Solomon Islands and the FFA. The draft updated ESMF was shared with the implementation agencies in the RMI, the Solomon Islands and the FFA. Their comments and feedback were incorporated in the finalized ESMF document.

88. **National Consultations.** National consultations on this updated version of the ESMF were held in RMI and Solomon Islands – to ensure stakeholder awareness and feedback in regard to the specific activities under the restructured projects. The FFA consulted with key government and NGO stakeholders for their regionally-focussed project. In the Solomon Islands, the updated ESMF was shared with key stakeholders for consultation and feedback. In RMI, the DIDA Safeguards Advisor shared the draft updated ESMF with MIMRA and other stakeholders. The list of the stakeholders consulted and the method of consultation is attached in Annex F.

89. **Ongoing Consultation.** PROP will require the ongoing engagement of communities and other fisheries stakeholders at the national, provincial/state and local level. The Process Framework (Annex D) provides guidance on developing a national-level Consultation Plan and budget for delivering public awareness-raising nationally, as well as consultation activities in targeted areas. Consultation methods and activities will be defined in the Consultation Plan by the National PROP Coordinator and aligned to national policies and processes (e.g. Reimaanlok in RMI) for public consultation and information dissemination at the local level (see template in Annex D). The Process Framework (Annex D) also provides guidance on establishing a participatory or co-management approach for natural resource management. Annex B expands on this approach, by providing guidance on free, prior, and informed consultation (FPIC) with Indigenous People, particularly in cases that require joint-decision making and community participation (e.g. resource restrictions or management) and where projects are pursuing a community-driven approach relevant for Component Two.

90. **Engagement Methods.** A project-specific Consultation Plan will be drafted and maintained by the PROP Project Coordinators in collaboration with their safeguards advisor relevant stakeholders. The Plans will outline consultation and engagement methods to be used. Information will be presented in a format accessible to the target audience through culturally appropriate methods. Consultation sessions will include special outreach efforts and be tailored

to the need of vulnerable groups such as women, elderly and disabled persons so that the process is socially inclusive and a range of stakeholder views and perspectives are adequately represented. Consultation methods will be designed in consideration of the different sociocultural norms that inhibit the participation and input into decision-making from vulnerable groups and persons, particularly women. Consultation will be well-documented to ensure the views of stakeholders are captured and incorporated into project design, addressed where necessary, and summarized in progress and/or monitoring reports. Budget provisions will be made to ensure follow-up with communities on the outcome/s of consultation and participatory activities and management decisions can occur where it is due.

91. **Information Disclosure.** Information disclosure is mandated by OP4.01, OP4.10, OP4.12 and OP 4.36, and the Bank’s Disclosure Policy. The Regional and National PROP Coordinators are responsible for managing information dissemination, overseeing public consultation and assuring compliance to the guidelines and protocols set out by safeguard instruments on consultation, such as the Process Framework. These agencies will ensure personnel are trained on relevant communication protocols and procedures regarding stakeholder engagement including Consultation Plans for subprojects. Dedicated channels for information dissemination will be established by IAs to ensure regular, ongoing communication with stakeholders throughout the project cycle.

92. The ESMF, and all safeguards instruments prepared by Implementing Agencies during project implementation, will be disclosed on the following websites:

- World Bank InfoShop ([www.worldbank.org](http://www.worldbank.org))
- Forum Fisheries Agency ([www.ffa.int](http://www.ffa.int))
- Relevant project IA websites.

93. During the preparation of country-specific activities, all safeguard instruments prepared as part of the activities by the Implementing Agency will be publicly disclosed, including in a language and format accessible to affected communities. Safeguard instruments and information flyers summarizing the project activities, potential impacts and management arrangements, as well as the GRM will be drafted in the local vernacular and hard copies made locally available.

94. Disclosure will occur in two phases:

- Disclosure of assessment documents (e.g. social assessment and environmental review) and draft safeguard documents (e.g. PF) during activities preparation and prior to their final review and approval.
- Disclosure of final safeguard documents prior to activities finalization to inform local communities of implementation measures concerning safeguard issues.

95. All IAs are responsible for managing information dissemination, overseeing public consultation and assuring compliance to guidelines and procedures set out by safeguard instruments and ensure relevant personnel are trained



## VIII. GRIEVANCE REDRESS MECHANISM

96. A Grievance Redress Mechanism (GRM) is detailed in the Process Framework (Annex D, Section VII). A project-specific Grievance Redress Mechanism (GRM) will be developed by each IA detailing how to make a complaint or grievance, the categorization or ranking of complaints and their appropriate response specifying timeframes for resolution. A general outline of the GRM is summarised below. GRM's for the restructured projects (the RMI, the Solomon Islands, and the FFA) have been developed and are provided in Annex G.

97. The GRM is for people seeking satisfactory resolution of their complaints on the environmental and social performance of the project. The mechanism will ensure that (i) the basic rights and interests of every affected person by poor environmental performance or social management of the project are protected; and (ii) their concerns arising from the poor performance of the project are effectively and timely addressed.

98. The grievance process is based upon the premise that it imposes no cost to those raising the grievances (i.e., Complainants); that concerns arising from project implementation are adequately addressed in a timely manner; and that participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country. Local communities and other interested stakeholders may raise a grievance at any time to the IA in the specific country or to the World Bank.

99. To manage this process effectively, a 'focal point' for grievance management will be identified or hired in each Implementing Agency or jointly with another agency (either the Project Manager or the Safeguards Advisor). For protracted or difficult grievances, a committee should be formed to hear the complaint and provide a resolution. Where a grievance committee is already in place under similar Bank-funded projects, it is recommended for the existing structure to be utilized and avoid duplication (so long as this has been effective to date). The focal point is responsible for managing and tracking grievances related to the PROP. IAs should ensure that they make available the project GRM accessible to affected local communities (without cost). Training on the GRM will be provided to relevant project teams and partners. Specific details on grievance resolution arrangements and contact details will be included in the **Project Operation Manual (POM)**.

## **IX. INSTITUTIONAL ARRANGEMENTS, RESPONSIBILITIES AND CAPACITY BUILDING**

100. **FFA.** The FFA has established a Program Support Unit (PSU) to implement FFA project activities (financed by the regional IDA grant). The PSU supports and guides FFA PROP procurement activities, as well as supports day-to-day implementation, financial management, safeguards, and monitoring and evaluation for the FFA PROP project. The FFA will also design a Regional Ocean Finance and Governance program that will develop ocean finance profiles for selected FFA member countries (PICs) and also deliver a Pacific Ocean Finance Capacity Building Program to benefit selected PICs.

101. **RMI, Solomon Islands, Tuvalu, FSM.** Each of the country projects are being implemented at the national level by the ministry, department or agency responsible for fisheries in each country, as designated implementing agencies. Each implementing agency has recruited a National Project Coordinator, who is responsible for providing summaries of implementation progress and results from M&E to the PSU, to support program-wide monitoring of results. The implementing agency will implement national-level activities, including national procurement and financial management for these activities, utilizing funds from a national designated account. In the Solomon Islands, there is also a steering committee (SC) that has total oversight of PROP implementation and that SC will have representatives from MFMR management, World Bank and PIU.

102. The implementing agencies are as follows: (i) FSM: National Oceanic Resource Management Authority (NORMA); (ii) RMI: Marshall Islands Marine Resources Authority (MIMRA); (iii) Solomon Islands: Ministry of Fisheries and Marine Resources (MFMR); and (iv) Tuvalu: Tuvalu Fisheries Department (TFD).

103. Each IA has recruited a national PROP Coordinator responsible for overseeing implementation, monitoring progress towards intended results according to the indicators, providing technical inputs for procurement processing/documentation. A part time Safeguards Advisor will be designated/recruited to ensure environmental and social safeguards implementation and compliance. Specifically, the Safeguards Advisor will undertake (i) coordination and documentation of stakeholder and community engagement; (ii) developing safeguard instruments; (iii) grievance management; and (iv) monitoring compliance.

104. In addition, a financial management specialist and a national procurement officer, if required, will be designated/recruited for each IA.

### **Capacity**

105. The level of institutional capacity for World Bank Safeguards has been weak to date, and the Project Managers have not been supported by Safeguards Advisors. World Bank task teams have been assisting with screening risks, reviewing technical advisory outputs, setting up GRM and advising on citizen engagement and consultations, during missions and remotely. Each IA

is now in the process of recruiting their own part time Safeguards Advisor (FFA, Tuvalu, Solomon Islands), or now has access to a Safeguards Advisor in their Country's Central Project Implementation Unit (i.e. RMI, FSM). The World Bank will continue to provide appropriate training to build institutional capacity and provide ongoing implementation support.

## **Responsibilities**

106. The IAs have the overall responsibility for ensuring that environmental and social issues are adequately addressed within the project, as described in Table 4. If the risks or complexity of particular safeguard issues outweigh the benefits of any proposed activities, these particular activities will be excluded from the project. World Bank will continue assist and supervise.

**Table 4: Key responsibilities for safeguards implementation**

<b>Work Plan / Activity Phase</b>	<b>World Bank</b>	<b>Project Implementing Agencies (known for Phase I only; unknown for the whole program)</b>
<b>Screening</b>	Review screening process.	<ul style="list-style-type: none"> <li>- Screen all proposed activities for adverse social and environmental impacts (guided by outcome of scoping exercise).</li> <li>- Exclude all activities that are included in the negative list in Table 5.</li> </ul>
<b>Preparation</b>	Review safeguard instruments, guidance and clearance of instruments.  Review consultation process.  Guidance and clearance.	<ul style="list-style-type: none"> <li>- Applying ESMF principles and process, produce zero drafts of relevant safeguard instruments to include in each project or activity when appropriate.</li> <li>- Disclose draft safeguard instrument regionally and nationally (hard copy and on website).</li> <li>- Undertake informed consultation on drafts with stakeholders and affected peoples.</li> <li>- Update instruments to reflect stakeholder input and include with final activities.</li> <li>- Fully disclose all final safeguard instruments.</li> </ul>
<b>Implementation</b>	Support the implementation process during missions.	<ul style="list-style-type: none"> <li>- Implement, monitor and document the implementation of safeguard measures. When indigenous peoples are affected, include them in participatory monitoring and evaluation exercises.</li> </ul>
<b>Capacity building</b>	Project team to undertake detailed capacity assessment.  Clear terms of reference for capacity building consultants to ensure their work/outputs meet World Bank safeguard requirements.	<ul style="list-style-type: none"> <li>- Recruit experienced and skilled safeguards advisors.</li> <li>- Participate and work to strengthen capacity systems within the IA’s Ministry.</li> </ul>

### Table 5. Ineligible Activity List

The following activities will be deemed ineligible for PROP if they:

1. Are not aligned to the objectives of PROP.
2. Involve the conversion, clearance or degradation of critical natural habitats forests, environmentally sensitive areas, significant biodiversity and/or protected conservation zones.
3. Will cause, or have the potential to result in, permanent and/or significantly damage non-replicable cultural property, irreplaceable cultural relics, historical buildings and/or archaeological sites.
4. Will negatively affect rare or endangered species.
5. Will result in involuntary land acquisition or physical displacement of affected communities, or relocation of Indigenous Peoples that would restrict or cease their access to traditional lands or resources.
6. Require or involve:
  - Political campaign materials or donations in any form;
  - Weapons including, but not limited to, mines, guns and ammunition (e.g. for maritime police or fisheries surveillance);
  - Purchase, application or storage of pesticides or hazardous materials (e.g. asbestos);
  - Building structures that will alter coastal process or disrupt breeding sites including sand mining or land reclamation;
  - Any activity on land that is considered dangerous due to security hazards or the presence of unexploded mines or bombs;
  - Any activity on land or coastal areas that has disputed ownership (private, communal or customary).
  - Any activity that will support drug crop production or processing of such crops.
7. In addition to the above general list, the following negative list is added from the IFC exclusion list:
  - Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements;
  - Trade in wildlife or wildlife products regulated under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora);
  - Production or trade in radioactive materials;
  - Production or trade in or use of unbounded asbestos fibers;
  - Purchase of logging equipment for use in cutting forest;
  - Production or trade in pharmaceuticals subject to international phase outs or bans;
  - Production or trade in pesticides/herbicides subject to international phase outs or bans;
  - Fishing in the marine environment using electric shocks and explosive materials;
  - Production or activities involving harmful or exploitative forms of forced labor / harmful child labor.
  - Commercial logging operations for use in primary tropical moist forest;
  - Production or trade in products containing PCBs (polychlorinated biphenyls);
  - Production or trade in ozone depleting substances subject to international phase out;

- Production or trade in wood or other forestry products from unmanaged forests;
- Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals;
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements;
- Production or trade in alcoholic beverages;
- Gambling, casinos and equivalent enterprises;
- Anti-democratic activities like e.g. Nazi propaganda

## ANNEXES

### Annex A. SCREENING FORM FOR POTENTIAL ENVIRONMENTAL AND SOCIAL SAFEGUARDS ISSUES

This form is to be used by the implementing agency to screen for potential environmental and social safeguards issues of activities eligible for financing, determine World Bank policies triggered and the instrument to be prepared for the activities planned.

Project Name	
Project Location	
Project Proponent	
Project Type/Sector	
Estimated Investment	
Start/Completion Date	

Questions	Answer		If Yes, WB policy triggered	Documents required if Yes
	yes	no		
Are the project activities' impacts likely to have significant adverse environmental impacts that are sensitive <sup>10</sup> , diverse or unprecedented? Please provide brief description <sup>11</sup>			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for financing
Do the impacts affect an area broader than the sites or facilities subject to physical works and are the significant adverse environmental impacts irreversible? Please provide brief description:			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for financing

<sup>10</sup> Sensitive (i.e., a potential impact is considered sensitive if it may be irreversible - e.g., lead to loss of a major natural habitat, or raise issues covered by OP 4.04, Natural Habitats; OP 4.36, Forests; OP 4.10, Indigenous Peoples; OP 4.11, Physical Cultural Resources; or OP 4.12, Involuntary Resettlement; or in the case of OP 4.09, when a project includes the manufacture, use, or disposal of environmentally significant quantities of pest control products);

<sup>11</sup> Examples of projects where the impacts are likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented are large scale infrastructure such as construction of new roads, railways, power plants, major urban development, water treatment, waste water treatment plants and solid waste collection and disposal etc.

Is the proposed project likely to have minimal or no adverse environmental impacts? <sup>12</sup> Please provide brief justification:			<i>OP 4.01 Environmental Assessment Category C</i>	No action needed beyond screening
Is the project neither a Category A nor Category C as defined above? <sup>13</sup> Please provide brief justification:			<i>OP 4.01 Environmental Assessment Category B</i>	ESIA or Limited ESIA and ESMP; Follow Environmental Codes of Practice (ECOPs)
Are the project impacts likely to have significant adverse social impacts that are sensitive, diverse or unprecedented? <sup>14</sup> Please provide brief description:			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for financing
Will the project involve the discharge of pollutants into air, water, soil and/or storage of chemicals, or removal of hazardous materials, etc. that pose risks to environmental and public health?			<i>OP 4.01 Environmental Assessment Category B</i>	ESMP with Hazardous Materials Management Plan
Will construction be located near <sup>15</sup> rivers, waterways or water bodies/ponds?			<i>OP 4.01 Environmental Assessment Category B</i>	ESMP with Hazardous Materials Management Plan

<sup>12</sup> Examples of projects likely to have minimal or no adverse environmental impacts are supply of goods and services, technical assistance, simple repair of damaged structures etc.

<sup>13</sup> Projects that do not fall either within OP 4.01 as a Category A or Category C can be considered as Category B. Examples of category B projects include small scale in-situ reconstruction of infrastructure projects such as road rehabilitation and rural water supply and sanitation, small schools, rural health clinics etc.

<sup>14</sup> Projects requiring significant adverse social impacts, such as physical displacement, are ineligible. Generally, projects with significant resettlement-related impacts should be categorized as A. Application of judgment is necessary in assessing the potential significance of resettlement-related impacts, which vary in scope and scale from project to project. Projects that would require physical relocation of residents or businesses, as well as projects that would cause any individuals to lose more than 10 percent of their productive land area, often are categorized as A. Scale may also be a factor, even when the significance of impacts is relatively minor. Projects affecting whole communities or relatively large numbers of persons (for example, more than 1,000 in total) may warrant categorization as A, especially for projects in which implementation capacity is likely to be weak. Projects that would require relocation of Indigenous Peoples, that would restrict their access to traditional lands or resources, or that would seek to impose changes to Indigenous Peoples' traditional institutions, are always likely to be categorized as A. Category A sub-projects are not eligible for financing.

<sup>15</sup> In the riparian zone or within 20 meters from a body of water.



Will the project adversely impact physical cultural resources? <sup>16</sup> Please provide brief justification:			<i>OP 4.11 Physical Cultural Resources Category B</i>	ESIA and Chance Find Procedures in ESMP
Will the project involve the conversion or degradation of non-critical natural habitats? Please provide brief justification:			<i>OP 4.04 Natural Habitats Category B</i>	ESIA and ESMP
Will the project involve the significant conversion or degradation of critical natural habitats <sup>17</sup> ?			<i>OP 4.04 Natural Habitats Category A</i>	Not eligible for financing
Will the project involve impacts on the health and quality of forests/mangroves, impacts on the rights and welfare of people and their level of dependence upon or interaction with natural resources; or does it aim to bring about changes in the management, protection or utilization of natural resources? Please provide brief justification.			<i>OP4.36 Forestry Category B</i>	SA, Limited EA and ESMP
Will the project have significant <i>adverse</i> impact on, or cause significant conversion or degradation of critical natural forests/mangroves?			<i>OP4.36 Forestry Category A</i>	Not eligible for financing
Does the project construct a new dam or rely on the performance of an existing dam or a dam under construction?			<i>OP 4.37 Dam Safety Category A/B</i>	Not eligible for financing
Does the project procure pesticides (either directly through the project, or indirectly through on-lending, co-financing, or government counterpart funding), or may affect pest management in a way that harm could be done, even though the project is not envisaged to procure pesticides?			<i>OP4.09 Pest Management Category B</i>	Not eligible for financing

<sup>16</sup> Examples of physical cultural resources are archaeological or historical sites, including historic urban areas, religious monuments, structures and/or cemeteries particularly sites recognized by the government.

<sup>17</sup> Projects that significantly convert or degrade critical natural habitats such as legally protected, officially proposed for protection, identified by authoritative sources for their high conservation.

Could project developments result in loss of assets or access to assets, or loss of income sources and means of livelihood for local people? Please provide brief explanation:			<i>OP 4.12 Involuntary Resettlement Category B</i>	Social Assessment (SA), Abbreviated Resettlement Action Plan (ARAP) (see Process Framework)
Will the project impact upon the subsistence regimes and livelihood dependency on natural resources of local communities? (i.e. through the development of fisheries management plans, mangrove conservation, etc.). Please provide a brief explanation:			<i>OP 4.12 Involuntary Resettlement Category B</i>	SA. See Process Framework (Annex D)
Will the project restrict access to, or use of, land or natural resources, or involve involuntary restriction of access to protected areas or parks and/or natural resources that may lead to adverse livelihood impacts? Please provide brief explanation:			<i>OP 4.12 Involuntary Resettlement Category B/C</i>	SA. See Process Framework (Annex D)
Does the project involve large-scale <sup>18</sup> involuntary land acquisition, and/or physical relocation and relocation of people due to involuntary land acquisition? Please provide brief explanation:			<i>OP 4.12 Involuntary Resettlement Category A</i>	Not eligible for financing
Does the project involve minor involuntary land acquisition, loss of assets or access to assets, or loss of income sources or means of livelihood? Please provide brief explanation:			<i>OP 4.12 Involuntary Resettlement Category B</i>	See Resettlement Policy Framework (RPF, Annex C)
Will any physical works be sited on communal or collective land? If so, is the land more than 5% of the community's area, and/or do gardens, crops or fixed assets exist on the nominated land? Please provide a brief explanation:			<i>OP 4.12 Involuntary Resettlement Category B</i>	See Voluntary Land Donation Protocol (Attachment 1) in RPF (Annex C)
Will any physical works be located on land that is used or occupied by persons? Please provide a brief explanation:			<i>OP 4.12 Involuntary Resettlement</i>	See RPF, Annex C

<sup>18</sup> Physical and/or economic displacement of more than 200 affected people and/or more than 10% of productive assets are lost.

Will any physical works be sited on private land? Will this be acquired through market based lease, government lease or sublease, purchase, or voluntary donation? Please provide a brief explanation:			<i>OP 4.12 Involuntary Resettlement Category C</i>	Evidence of land title, lease agreement and/or development consent from national authority. See RPF, Annex C
Does the project involve the donation of land (in-kind) from project-affected persons for facilities or investments that will be of benefit to the broader community? Please provide a brief explanation:			<i>OP 4.12 Involuntary Resettlement</i>	See Voluntary Land Donation Protocol (Attachment 1) in RPF (Annex C)
Are there any Indigenous Peoples or ethnic minority communities present in the project area that are likely to be affected by the proposed project negatively or positively? Please provide brief justification:			<i>OP 4.10 Indigenous People</i>	See IPPF (Annex B)
Will the project adversely impact, or have the potential to adversely impact, upon customary tenure systems and customary rights to access to areas and natural resources of Indigenous Peoples? Please provide a brief explanation:			<i>OP 4.10 Indigenous People</i>	See IPPF (Annex B)
Will the project have the potential to have impacts on the health and quality of forests/mangroves or the rights and welfare of people and their level of dependence upon or interaction with forests; or aims to bring about changes in the management, protection or utilization of natural forests or plantations? Please provide brief justification:			<i>OP4.36 Forestry Category B</i>	SA, Limited EA and ESMP
Will the project have the potential to have significant <i>adverse</i> impacts or significant conversion or degradation of critical natural forests, mangroves or other natural habitats?			<i>OP4.36 Forestry Category A</i>	Not eligible for financing
Is there any territorial dispute between two or more countries in the project and its ancillary aspects and related activities?			<i>OP7.60 Projects in Disputed Areas</i>	Not eligible for financing
Will the project and its ancillary aspects and related activities, including detailed design and engineering studies, involve the use or potential pollution of, or be located in international waterways <sup>19</sup> ?			<i>OP7.50 Projects on International Waterways</i>	ESIA and MoU between countries

<sup>19</sup> International waterways include any river, canal, lake or similar body of water that forms a boundary between, or any river or surface water that flows through two or more states.

### **Categorisation and Safeguards Instruments Required:**

The project is classified as a Category \_\_\_\_\_ project as per World Bank OP4.01. The following safeguard instruments will be followed and/or prepared:

*Tick all that apply:*

- Environmental Assessment (EA) or Environmental and Social Impact Assessment (ESIA)
- Limited Environmental Assessment (EA) and/or Social Assessment (SA)
- Environmental and Social Management Plan (ESMP)
- Environmental Codes of Practice (ECOPs) [Category B or C]
- Indigenous Peoples Plan (IPP)
- Hazardous Materials Management Plan (HMMP)
- Physical Cultural Resources Management Plan (PCRMP)
- Development Consent and Permitting
- Voluntary Land Donation Protocol (VLDP)
- Environmental Codes of Practice (ECOPs)
- Abbreviated Resettlement Action Plan (ARAP)

## **Annex B. INCORPORATING ELEMENTS OF AN IPP INTO OVERALL PROJECT DESIGN**

Based on prior country-level social analysis undertaken as part of preparation of these procedures, OP 4.10 is not typically triggered in the island nations of Federated States of Micronesia, Kiribati, Republic of the Marshall Islands, Palau, Samoa, Tonga, Tuvalu and Vanuatu. Depending on the specific project context, groups meeting the four defining characteristics of OP 4.10 are likely to be found in PNG, the Solomon Islands, and Timor Leste. Though OP 4.10 would not normally be expected to apply to projects situated in Fiji, but careful assessment and planning regarding inter-ethnic relations is required.

### **A. Introduction**

Indigenous Peoples (IPs) are the overwhelming majority of direct beneficiaries of the PROP. The Indigenous Peoples OP4.10 policy recognizes the distinct circumstances that expose Indigenous Peoples to different types of risks and impacts from development projects. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population.<sup>20</sup> As a result, their economic, social, and legal status often limit their capacity to defend their rights to lands, territories, and other productive resources, and restricts their ability to participate in and benefit from development. Projects affecting Indigenous Peoples, whether adversely or positively, therefore need to be prepared with care and with the participation of affected communities. The requirements include social analysis to improve the understanding of the local context and affected communities; a process of free, prior, and informed consultation with the affected Indigenous Peoples' communities in order to fully identify their views and to obtain their broad community support to the project; and development of project-specific measures to avoid adverse impacts and enhance culturally appropriate benefits.

### **B. Summary of Potential Issues and Impacts Relating to Indigenous Peoples Communities**

Each area and activity will be screened to determine whether Indigenous Peoples are present.

A number of particular risks are relevant for the type of activities supported by the current project:

- *Customary and Indigenous Peoples' rights.* Particular rights of Indigenous Peoples are recognized in international agreements, and for World Bank-supported projects by the Bank's

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<sup>20</sup> OP 4.10 uses the term Indigenous Peoples to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identify by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, social, economic, social or political institutions that are separate from those of the dominant society and culture; and (iv) an indigenous language, often different from the official language of the country or region. Other terms used in different countries to refer to these groups include "indigenous ethnic minorities", "aboriginals", "hill tribes", "minority nationalities", "scheduled tribes", and "tribal groups" (OP 4.10, para 4).

own policy. Such rights may also be recognized in national legislation. Project activities would always need to identify and recognize these rights to ensure that activities are not adversely affecting such rights. This is particularly the case for projects that support the development of management plans and other forms of land and natural resource use planning. Projects that support policy development may also affect Indigenous Peoples' rights.

- *Loss of culture and social cohesion.* Given Indigenous Peoples' distinct cultures and identities and their frequent marginalization from the surrounding society, interventions may run the risk of imposing changes to or disruption of their culture and social organization, whether inadvertently or not. While indigenous communities may welcome and seek change, they can be vulnerable when such change is imposed from external forces and when such change is rushed.
- Existing social arrangements can be disrupted due to formal employment opportunities and also when a large number of women trade traditional lifestyles for formal employment. There is a risk that indigenous women employed in cannery factories could be mistreated through inadequate pay and working conditions. The nature of the fishing industry exposes women to the risk of sexual exploitation and prostitution with its social and health consequences, including risk of exposure to HIV/AIDS. In addition to gender-based social implications, the ESMF should focus on the broader project-related impacts on vulnerable indigenous groups.
- Moreover, since many indigenous communities' culture and social organization are intertwined with their land and natural resource use practices, changes to these practices may result in unintended and unexpected changes in culture and social organization which may lead to social disruption and conflicts within and between communities and other stakeholders.
- *Dependency on external support.* Interventions supporting alternative livelihoods and new institutional structures may lead to indigenous communities' dependency on continued support. Indigenous Peoples, for instance, may experience difficulties engaging with the market economy through alternative livelihood activities that they may be unable to sustain, at least on an equitable basis, while foregoing traditional practices. They may also become dependent on new livelihoods that are not sustainable environmentally as well as socially, perhaps because they were developed without due consideration of their social and cultural context. New institutional structures may displace existing structures with both positive and negative impacts typically depending on the level of participation in and control over the process.
- *Inequitable participation.* The costs (e.g. in time and resources) of participating in project activities such as protected area management activities, monitoring and enforcement, even in cases of co-management, may outweigh the benefits to local communities. Participation design may not include appropriate capacity building (when needed) or take into consideration local decision-making structures and processes with the risk of leading to alienation of local communities or even conflicts with and/or between local communities. Participation design may not include appropriate representation of Indigenous Peoples in decision-making bodies.

### **C. Legal and Institutional Framework Relating to Indigenous Peoples Communities**

The project will be planned and implemented in a manner consistent with relevant laws and regulations of the project country and the principles and procedures of World Bank Operational Policy 4.10, Indigenous Peoples. As per the PICs Guidelines, OP 4.10 is typically

not triggered in the island nations of Federated States of Micronesia, Kiribati, Marshall Islands, Palau, Samoa, Tonga, Tuvalu and Vanuatu, while it is commonly triggered in PNG, the Solomon Islands, and Timor Leste; OP 4.10 could apply to projects situated in Fiji, but careful assessment and planning regarding inter-ethnic relations is nonetheless advised. For the Solomon Islands – participant country in PROP Phase I - the policy is triggered, but as the overwhelming majority of project beneficiaries would be indigenous, a separate instrument (IPP) is not required.

Factors relevant to the specifics of the World Bank’s Indigenous People’s Policy in Solomon Islands (April 2014 James Baines - World Bank Safeguards Review):

In terms of ‘self-identification’, this is universal in that it applies to all indigenous cultural groups, which would not claim to be identical with “Solomon Island society” overall. There are regional spaces in which such a distinction between a small group and a generally recognised larger group exists - I-Kiribati settlers in Western and Choiseul Provinces, Marau Are’are people in Eastern Guadalcanal province; Reef and Tikopia settlers in Makira Province. In all these, the main divide is to do with indigenous-settler differences.

In terms of distinct cultural groups having collective attachment to ancestral territory, this is the base situation for all indigenous groups in the Solomons, exercised at the level of clans, tribes or other kin groups within the various language-cultural territories in the country. In terms of customary institutions that are ‘separate from those of the dominant society’, perhaps the best way to understand the Solomon Islands situation is to see the entire nation state as a highly plural grouping, in which the indigenous and settler cultures each possess their own institutions, and the formal institutions of the state can also be seen as a separate cultural entity. In terms of indigenous languages, there are estimated living languages (other than English and Pijin) in the Solomon Islands that are non-official. The only explicitly named languages in the Constitution are English and Pijin. Parliamentary Standing orders established under Section of the Constitution (Part B section 3) stipulate the use of English and Pijin in Parliament.

The IPP elements for sub-projects in the Solomon Islands (and any future country, where OP4.10 will be triggered) will be guided by Table 1 below.

**Table 1. Incorporating Elements of an IPP into Overall Project Design (Category B Projects)**

<i>IPP Elements (OP 4.10, Annex B)</i>	<i>Best Available Means for Incorporation</i>
1. Summary of legal and institutional framework, and baseline data, as relating to Indigenous Peoples in the project context.	To the extent that such information is relevant in the project context, it may best be presented in an Environmental and Social Impact Assessment, if one is to be prepared, or a stand-alone social assessment.
2. Summary of social assessment findings.	This summary is, obviously, best presented within the Environmental and Social Impact Assessment, if one is to be prepared, or a stand-alone social assessment.

<p>3. Summary of consultations with Indigenous Peoples communities.</p>	<p>Frequently, some or all of the necessary consultations are conducted in tandem with the social assessment process. If that is the case, consultation results can be presented within</p>
	<p>the Environmental and Social Impact Assessment, if one is to be prepared, or a stand-alone social assessment. For consultations conducted independent of the social assessment process, or after the social assessment process is completed, the borrower prepares and submits to the Bank a note summarizing consultation results, including assessment of Indigenous Peoples communities' support for the project and its objectives.</p>
<p>4. Actions to ensure that Indigenous Peoples receive culturally appropriate social and/or economic benefits.</p>	<p>Such actions are incorporated into an overall project Environmental and Social Management Framework and/or Environmental and Social Management Plan. If Indigenous Peoples also are to be affected by land acquisition or loss of access to natural resources, measures to address these impacts should also be incorporated into the Resettlement Policy Framework and/or Resettlement Action Plan that would be required under OP 4.12, Involuntary Resettlement.</p>
<p>5. Actions to address any adverse impacts on Indigenous Peoples communities.</p>	<p>Such actions are incorporated into an overall project Environmental and Social Management Framework and/or Environmental and Social Management Plan. If Indigenous Peoples also are to be affected by land acquisition or relocation, mitigation measures <u>must</u> be incorporated into the Resettlement Policy Framework and/or Resettlement Action Plan that would be required under OP 4.12, Involuntary Resettlement. If Indigenous Peoples also are to be affected by loss of access to natural resources in relation to legally designated parks and protected areas, mitigation measures <u>must</u> be incorporated into the Process Framework that would be required under OP 4.12, Involuntary Resettlement.</p>
<p>6. Cost estimates and financing plan for implementing actions or activities.</p>	<p>Where any actions relating to provision of benefits or mitigation of adverse impacts are necessary, costs are estimated and financial arrangements are specified in the Environmental and Social Management Plan and/or the Resettlement Action Plan, as relevant.</p>
<p>7. Appropriate grievance procedures.</p>	<p>Appropriate grievance procedures may be incorporated into the Environmental and Social Management Plan and/or Resettlement Action Plan, as relevant.</p>
<p>8. Monitoring and evaluation arrangements.</p>	<p>Monitoring and evaluation arrangements regarding Indigenous Peoples may be specified in either the Environmental and Social Management Plan or the</p>



	Resettlement Action Plan, or both as relevant.
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World Bank OP 4.10 provides the basis for identifying Indigenous Peoples in the project area, for ensuring that Indigenous Peoples communities are adequately consulted in project planning and implementation, that Indigenous Peoples communities are provided equitable opportunities to benefit from the project, that project benefits are culturally appropriate, that any potential adverse impacts on Indigenous Peoples communities are avoided or otherwise mitigated, and that appropriate arrangements are in place for recognizing and considering project-related grievances raised by Indigenous Peoples.

Under OP 4.10, the determination as to whether a group is to be defined as Indigenous Peoples is made by the World Bank, by reference to presence (in varying degrees) of four identifying characteristics:

- a) Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- b) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources therein;
- c) Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
- d) An indigenous language, often different from the official language of the country or region.

In PROP, the World Bank has determined that Indigenous Peoples communities are likely to be present within the project area. Accordingly, the IA agrees to undertake a consultative process to inform project design. Where the sole, or great majority of, project beneficiaries are Indigenous Peoples, the essential elements of the IPP may otherwise be integrated into the overall project design (e.g., no separate planning document is necessary).

#### **D. Implementation Arrangements**

Each country participating in the PROP, where OP4.10 is triggered (Solomon Islands in Phase I) bear official responsibility for ensuring that the essential elements of the IPP are integrated into the overall project design. Direct authority for incorporating the IPP elements into project planning and implementation is vested in IA, which will exercise its authority as necessary to coordinate actions with any other agencies or jurisdictions involved in planning or implementation.

#### **E. Arrangements for Consultations with Indigenous Peoples Communities**

Under OP 4.10, World Bank project support requires that the project borrower undertake a process of free, prior and informed consultation (FPIC) that results in a collective expression by Indigenous Peoples communities of broad community support for the project. The

modality, methodology and extent of consultations may vary with project context. Where the number or dispersion of Indigenous Peoples necessitates consultation on a sample basis, an explicit consultation strategy is devised to ensure appropriate representation. Generally, the consultation process is:

- ✓ Conducted in a manner allowing Indigenous Peoples communities to openly express their preferences or concerns without intimidation or trepidation;
- ✓ Conducted in a timely manner, such that the preferences or concerns raised by Indigenous Peoples communities may be considered before project design decisions or implementation arrangements are finalized;
- ✓ Conducted only after Indigenous Peoples communities have been provided, and have had sufficient opportunity to consider, relevant information about the project;
- ✓ Conducted in a manner that is inclusive, with special consultation arrangements included where necessary to obtain the preferences or concerns of women, the elderly, or others who customarily may not be expected or allowed to participate in community meetings.

### **Free, Prior and Informed Consultation**

Indigenous Peoples are often vulnerable because of what they do not know and cannot anticipate in situations where projects or investments are being proposed, especially where change is being rushed. For this reason, the application of free, prior and informed consultation (FPIC) is critical.

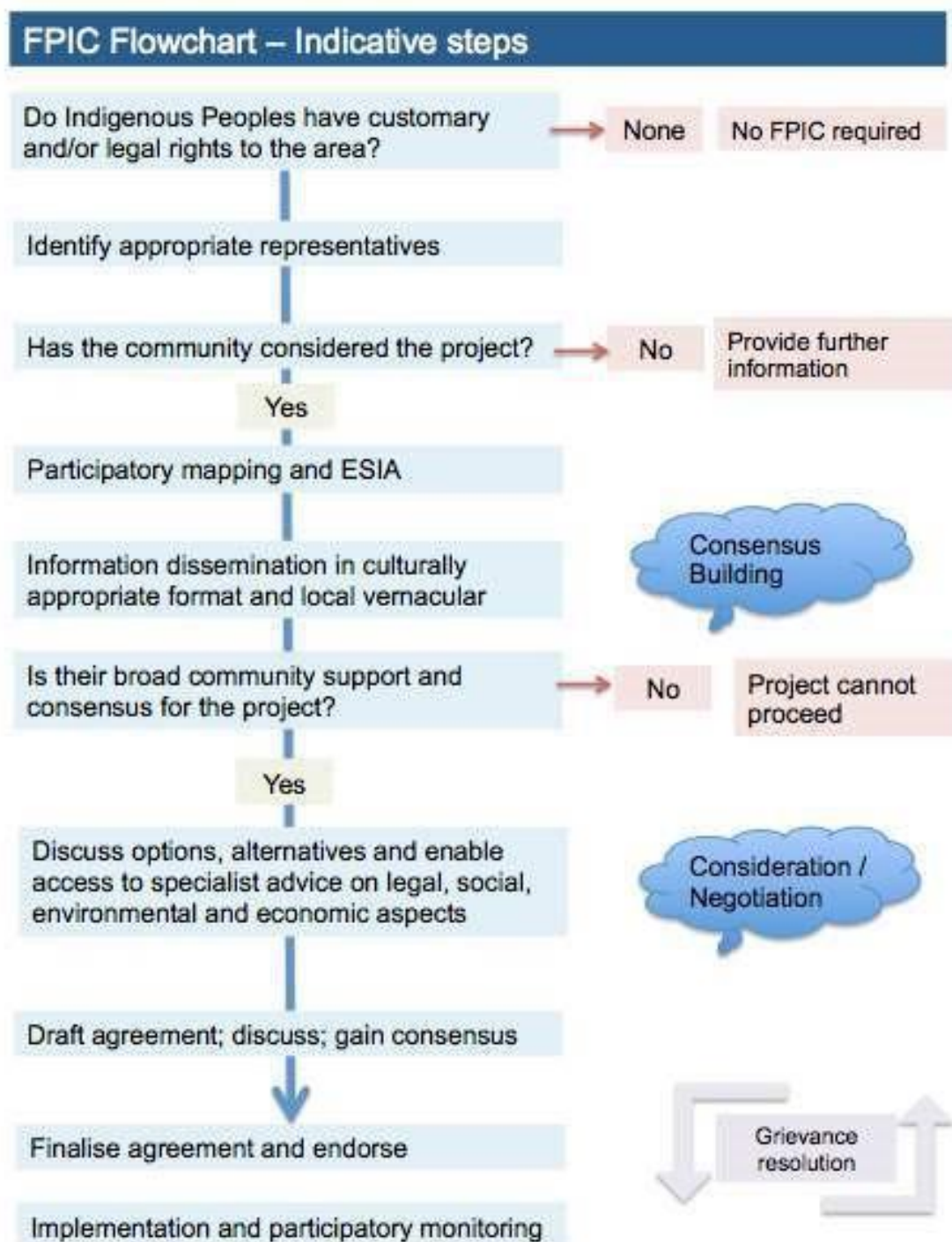
Table 1 provides the key principles for conducting free, prior and informed consultation and engagement with Indigenous communities.

**Table 1. Free, Prior and Informed Consultation Principles**

<p><b>FREE</b> Free from any hindrance or reasons why Indigenous Peoples may not take part in consultation.</p>
<p><b>PRIOR</b> Consultation starts as early as possible in the project planning and throughout the life of the project. Indigenous Peoples must also be given enough time to go through the traditional processes of decision-making and deliberation.</p>
<p><b>INFORMED</b> Indigenous Peoples must be given enough information and in such a way that allows them to understand fully the impacts being discussed with them and feed into the decision-making process where appropriate.</p>
<p><b>CONSULTATION</b> This must be a two-way process that allows Indigenous Peoples to participate meaningfully in decisions that affect them directly, including proposed management and mitigation measures and sharing of development benefits.</p>

Adequate and respectful consideration of the customary decision-making processes and complex governance systems that exist within Indigenous communities is a key element of FPI Consultation. Early in the process, it will be necessary to identify whether any Indigenous representative bodies or Indigenous Peoples Organisations (IPOs) exist, and whom may be utilised for information dissemination in the appropriate vernacular. Figure 1 (below) outlines the process for applying FPIC within the project preparation and implementation stages. It also indicates exits points for projects in scenarios whereby broad community support was not established.

**Figure 1. Flowchart for Establishing FPIC with Indigenous Peoples**



A summary (including date, location, approximate number and status of persons in attendance, and summary of issues discussed and any agreements reached) is prepared and recorded for each consultation meeting.

Consultations may be undertaken as part of the social assessment process or as a separate set of activities.

## **F. Arrangements for Social Assessment**

Social assessment is a necessary step for incorporating elements of an IPP into overall project design. The scope, level of detail, and methodological aspects of social assessment are commensurate to the nature and extent of project-related impacts and risks. The social assessment focuses on issues relating to Indigenous Peoples that are identified in the project screening process, or specified in terms of reference. The social assessment may be prepared as a stand-alone document or incorporated into a broader environmental and social impact assessment process. As relevant, the social assessment process includes the following elements:

- a) Description of project and potential issues or impacts relating to Indigenous Peoples communities;
- b) Review of the borrower's legal and institutional framework as applicable to Indigenous Peoples appropriate to the project context;
- c) Identification of relevant Indigenous Peoples communities and other key stakeholders to be consulted in the social assessment process;
- d) Baseline information on the demographic, social, cultural, economic and political characteristics of relevant Indigenous Peoples communities;
- e) Elaboration of a culturally appropriate process for free, prior and informed consultations with Indigenous Peoples communities during incorporating elements of IPP into overall project design;
- f) Based on consultation with Indigenous Peoples communities, assessment of the potential adverse impacts and benefits likely to be associated with the project; and
- g) Summary of preferences and concerns of Indigenous Peoples communities relating to project objectives, access and cultural appropriateness of project benefits, mitigation of any adverse impacts, and project implementation arrangements.

## **G. Collective Expression of Broad Community Support**

Based on results of consultations and the social assessment process, the IA will determine whether there is broad community support for the project among relevant Indigenous Peoples communities. This determination generally is based upon collective and often informal expression of supportive views regarding project purposes, plans, and implementation arrangements. This determination does not require unanimity; broad community support may exist even when there is internal disagreement within the community or when there is limited

opposition to project purposes or proposed arrangements. Incorporating elements of an IPP into overall project design explains the basis upon which the determination has been made.

## **H. Outline for Indigenous Peoples Plan**

Incorporating elements of an IPP into overall project design is done in a flexible and pragmatic manner, based on the project context. The scope and level of detail required is commensurate with the nature and extent of project-related impacts and risks. Depending on social context, incorporating elements of an IPP may focus solely on issues relating to one specific group, or elements of the IPP may be incorporated into a broader, integrated multiethnic or community-based plan. As relevant, incorporating elements of an IPP includes the following elements:

- a) Project description and summary description of issues relating to Indigenous Peoples;
- b) A brief summary of relevant issues and findings of the social assessment process;
- c) A summary of results from the process of free, prior and informed consultations with relevant Indigenous Peoples communities, and review of determination of broad community support;
- d) Actions to ensure equitable access to culturally appropriate benefits for Indigenous Peoples communities;
- e) Actions to avoid, minimize or otherwise mitigate any adverse impacts affecting Indigenous Peoples communities;
- f) Cost estimates, budget and financial responsibilities for implementation of the project with the elements of an IPP
- g) Accessible and culturally appropriate means to address grievances raised by Indigenous Peoples (individually or collectively);
- h) Monitoring arrangements; and
- i) Arrangements for information disclosure.

## **K. Disclosure Arrangements**

The IA agrees to disclose relevant information regarding project design and implementation arrangements to Indigenous Peoples communities and to the broader public. Specifically, results of the social assessment process are made available in a manner, location and language accessible to Indigenous Peoples communities.

## **L. Monitoring Arrangements**

If the IPP contains any specific actions to benefit Indigenous Peoples communities, or measures to mitigate any adverse impacts upon them, a monitoring process is defined in the IPP to assess the effectiveness of actions or mitigation measures, and to provide a means for ongoing consultation with those communities throughout the implementation period. The

scope and frequency of monitoring activities is commensurate with the complexities and risks of the project. Monitoring information may be collected by communities themselves or by an agent not directly affiliated with the IA. Monitoring information is submitted to the IA, which makes monitoring information available to the World Bank project team.

## **M. Grievance Procedure**

In PROP, arrangements will be established to ensure that Indigenous Peoples communities may bring complaints to project management attention, and that the project responds to complaints in a timely and considered manner. Within Indigenous Peoples communities, complaints can be raised by individuals, groups, or by the community as a whole. Alternatively, the established **grievance redress mechanism (GRM) in the PF or Project Operations Manual (POM)** may be referred to.

Specific arrangements for raising and addressing grievances are defined and described in the IPP. For PROP, it has been agreed that the grievance procedures:

- ✓ Will be accessible (e.g., location, language, and socially inclusive) to all community members;
- ✓ Will use local customary arrangements for conflict resolution in an initial stage of review, as appropriate in the project context;
- ✓ Will have a second stage of review at the project management level, with a grievance committee chaired by the director of the IA;
- ✓ Will have defined and disclosed performance standards for replying to grievances received at both initial and project management-level review stages.

Individuals or communities with complaints that have not been resolved to their satisfaction may also seek legal recourse consistent with laws and procedures of the country.

## Annex C. RESETTLEMENT POLICY FRAMEWORK

### A. Project Development Objectives and Project Description

#### 1. Regional and Sector Context

The Pacific Islands Ocean Region covers some 11 percent of the world's ocean area and is home to 22 small island countries and territories. The economies of Pacific Island countries (PICs), 11 of whom are members of the Bank<sup>21</sup>, are fundamentally shaped by this geography as much as any other feature. Essentially some 9 million people live on hundreds of islands covering roughly 40 million square kilometers of the earth's surface, compared to approximately 40 million people living in the much smaller area (2.75 million sq. km.) of the Caribbean.

Because of their small size and remoteness, these countries are at risk of volatility and subject to external economic and natural shocks: the Pacific Islands Ocean Region contains one of the highest concentrations of fragile states anywhere in the world. Throughout the region 20 percent of most people in PICs live in poverty or hardship, meaning they are unable to meet their needs. Additionally, across PICs the top 20 percent of the population consumes 6 to 12 times as much as the bottom 20 percent. PICs are also marked by their diversity: the development challenges facing larger Melanesian countries such as PNG, with 6 million people and extensive natural resources, are very different from those of the most remote Micronesian and Polynesian countries, which in some cases have total populations of less than 20,000 people and very few natural resources other than fisheries.

Despite their diversity, PIC economies throughout the region are in many cases driven by the transboundary ocean and fishery resources that they share. The countries are connected by ocean currents and the living and non-living cargo they carry, which ranges from tiny plankton to charismatic megafauna, not to mention waste and pollutants. The archipelagic nature of most PICs, and their strong reliance on coastal ecosystems for food, weather protection, resilience against shocks, and other services means that they fundamentally depend on healthy ocean environments and resources. In particular, as the threat from climate changes grows throughout the region, including sea level rise and potentially more intense and frequent storm events, maintaining or in some cases restoring healthy ocean environments and resources will be fundamental to building resilience to climatic shocks and longer term changes in region.

*Sector Importance.* The resources, services and biological diversity of the Pacific Ocean are essential to the economies and development of PICs, as well as being of significant value to the international community. For some Bank member PICs, especially the fishery-dependent small-island states (Federated States of Micronesia, Kiribati, Marshall Islands and Tuvalu) ocean resources such as fish stocks comprise the primary natural resource on which future economic growth will be based. These shared resources include, among others: (i) oceanic fisheries (largely tuna) that provide the majority of public revenues for a number of PICs; (ii) coastal fisheries that directly sustain rural livelihoods and contribute heavily to food security and national exports in many cases; and (iii) global (and local) public goods in the form of

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<sup>21</sup> Federated States of Micronesia (FSM), Fiji, Kiribati, Palau, Papua New Guinea, Republic of the Marshall Islands (RMI), Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.



natural habitats and biodiversity of international significance (as well as sustaining the coastal and oceanic fisheries).

The region's *oceanic fisheries* supply much of the world's tuna, with global demand steadily increasing. The wider Western Central Pacific Ocean area produced a record high of 2.6 million tons of tuna in 2012, representing over half of all of the world's tuna catch and yielding revenues at first sale on the order of over US\$6.5 billion. Roughly half of this tuna catch was taken from PIC waters, or some 30 percent of the world's tuna catch. The total first sale value of the tuna caught in PIC waters was estimated to be some US\$3.9 billion in 2012, of which PICs received only 6 percent as a result of access fees paid by largely foreign fleets. Even at this minimal level of return from what is one of the more profitable fisheries in the world, revenues from sale of access constitute the largest single source of public revenues for a number of PICs. In addition to revenues from access fees, very little value addition takes place within the region. In many countries the diseconomies of isolation reduce the profitability or competitiveness of the fishing industry, and thus its capacity to pay for access to resources.

The *coastal fisheries* throughout Pacific Islands Ocean Region play a very different but equally crucial role in PIC economies. Although they do not generate significant amounts of national revenue, they are crucial supporters of local livelihoods, food security and dietary health in all PICs. Fish and seafood are a primary source of animal protein in Pacific Island diets, and in some countries per capita consumption exceeds 100 kg per year (compared to a global average of 16 kg per year). PIC coastal fisheries are for the most part relatively small and localized and support only a few viable (though extremely valuable) export fisheries (for example *bêche-de-mer*, trochus, and other specialized products), as well as coral reef fisheries for local consumption that are highly susceptible to over-exploitation.

In addition to oceanic and coastal fisheries, the *natural habitats* of the Pacific Ocean provide a range of global (and local) public goods. Globally, a number of relatively pristine natural habitats (e.g. coral reef ecosystems, mangroves, wetlands, etc.) are home to some of the world's most significant marine biodiversity. In 2012 the Conference of the Parties of the Convention on Biological Diversity named 26 large areas throughout the Western South Pacific as having met the criteria for ecologically or biologically significant marine areas (EBSAs) worldwide, including the Phoenix Islands in Kiribati, the Kadavu and the Southern Lau Region in Fiji, and the Tonga Archipelago. Locally, natural coastal habitats protect villages and communities from storms and flooding, which are only expected to increase with climate change.

In the aggregate, the goods and services provided by Pacific Ocean's oceanic and coastal fish stocks and the natural habitats that underpin them, represent a tremendous endowment of shared natural capital throughout the region. Enhancing this natural capital provides a wide range of opportunities to advance the World Bank's twin goals of reducing poverty and boosting shared prosperity in the Pacific Islands region. For example, better-managed oceanic fisheries will increase the value of access to this resource that many PICs can sell to foreign fleets in order to generate revenues for public services needed for poverty reduction or to translate into foreign direct investment up the value chain to create job opportunities, while more productive coastal fisheries can support rural livelihoods and food security for

many in the bottom 40 percent of income distribution, and both depend on healthy natural habitats.

**2. Project Development Objective.** The objective of the *Pacific Islands Oceanscape Regional Program (PROP)*<sup>22</sup> is to strengthen the shared management of selected Pacific Island oceanic and coastal fisheries<sup>23</sup>, and the critical habitats upon which they depend. This will provide the basis for sustainable and increased economic benefits to the region from this resource. More specifically, the Program will strengthen: (i) the national and regional institutions<sup>24</sup> responsible for the management of the oceanic fisheries; (ii) the local and national institutions responsible for the management of the coastal fisheries; and (iii) the institutions responsible for the conservation of the natural habitats that support them.

**3. Project Description.** The Project will be comprised of the following components:

The program will focus on three main areas, all of which are essential to the achievement of the development of objective: (i) sustainable management of oceanic fisheries, (ii) sustainable management of coastal fisheries, and (iii) conservation of critical fishery habitats; as well the (iv) regional coordination, implementation support, training and monitoring and evaluation, necessary to support these three areas. These will form a menu of activities the Program could support in each project in the series, which would be chosen based on the specific country context. The first five projects in the program series finance activities drawn from this menu.

**Component 1: Sustainable Management of Oceanic Fisheries.** This component aims to help participating Pacific Island countries strengthen the management of the region's purse seine and long-line tuna fisheries. Towards this objective, the component includes activities to: (i) strengthen the capacity of national and regional institutions to sustainably manage Pacific Island tuna fisheries; and (ii) ensure an equitable distribution within Pacific Island countries of the benefits of sustainably managed tuna fisheries.

**Component 2: Sustainable Management of Coastal Fisheries.** This component aims to support participating countries to sustainably manage defined coastal fisheries and the habitats that support them with a holistic approach of Community-Based Resource Management (CBRM) and Provincial Fisheries (FADs), focusing on those with the greatest potential for increased benefits, i.e. coastal fisheries such as bêche-de-mer (BDM) that (i) can generate export earnings for the country, and/or (ii) support livelihoods, food security and dietary health. Towards this objective, this component includes activities to: (i) empower stakeholders to sustainably manage targeted coastal fisheries in participating countries; and (ii) link sustainable coastal fish products to regional markets. This component will provide climate change co-benefits by supporting adaptation in the form of better management of coastal fisheries and natural defenses. This component may include building or repairing infrastructure.

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<sup>22</sup> The term 'Program' in this document refers to a Series of Projects (SOP).

<sup>23</sup> Selected fisheries are defined here as the fisheries used or shared by the Pacific Island Countries who are members of the Bank.

<sup>24</sup> Institutions are defined here as the formal and informal rules affecting policy design, implementation and outcomes (North, 1990).

**Component 3: Sustainable Financing of the Conservation of Critical Fishery Habitats.**

This component aims to help identify revenue streams to sustainably finance the conservation of critical habitats that underpin oceanic and coastal fisheries in the region. Towards this objective, the component will include activities to establish: (i) Pacific Marine Conservation Development Financing Mechanisms to support the growing number of large marine protected areas (MPAs) in the region; and (ii) design a Regional Ocean Finance and Governance Program. The aim of this component is not to provide sustainable financing for all regionally-significant fisheries habitat conservation efforts, but rather to provide the catalytic upstream finance needed to identify, develop and achieve consensus on the mechanisms to deliver such financing, and then to help secure this financing from other sources, for example from the GEF, international foundations, etc. Thus, the financing from this component aims to leverage significant additional finance to the region for conservation of critical fishery habitats. This component also provides climate change co-benefits by supporting mitigation, in the form of conservation of vegetated coastal habitats that sequester significant amounts of carbon.

**Component 4: Project Management, Monitoring and Evaluation.** This component aims to provide project support to ensure a coherent approach to program implementation and wide dissemination of results and lessons learned; as well as implementation support and training as needed for the program to achieve its objectives. Each Country and the FFA will be responsible for their own project implementation arrangements. Towards this objective, this component includes activities to: (i) support a program support unit within FFA for project implementation and management; (ii) share knowledge and outreach globally; and (iii) support national project management, monitoring and evaluation

**B. Justification for Preparing a Resettlement Policy Framework for the Project**

The PROP triggers social safeguards policy OP4.12 Involuntary Resettlement. The objective of this policy is to ensure affected persons living standards are not adversely affected as a result of the Program or its interventions. As such, the Borrower is required to prepare appropriate social safeguard instruments to address all adverse impacts that will be generated as a result of project activities and subprojects. It is envisaged that the majority of land required for project purposes will occur through either formal land donation, land use agreements, leasing, subleasing or purchasing arrangements. However, a preliminary safeguard assessment has identified there is potential for small-scale involuntary land acquisition to occur.

This Resettlement Policy Framework (RPF) has been prepared specially to address impacts cause by involuntary land acquisition, such as economic or physical displacement, or loss of assets or access to assets. It has been developed in accordance with the principles, objectives, procedures and rules set out in the World Bank Operational Policy OP4.12 Involuntary Resettlement. It provides guidance for preparing Abbreviated Resettlement Action Plans (ARAP), voluntary land donation (VLD) and associated documentation. It outlines the procedures and information requirements for ARAPs in accordance with policy requirements and national legislation, as well as VLD agreements for specific subprojects. The preparation of documents is the responsibility of the IA in each country, which will be submitted for Bank review.

The key objective of this RPF is to avoid involuntary land acquisition and subsequent resettlement. Notwithstanding this, PROP activities *may* include small-scale coastal land acquisition for the development of fishing-related facilities. Activities involving compulsory land acquisition will not be eligible for PROP funding therefore land acquisition under the PROP will only occur on a voluntarily basis and the World Bank’s Voluntary Land Donation Protocol will apply.

Fixed assets (crops, structures, etc.) may be present on the land and need to be accounted for prior to land agreements being signed or construction commencing. Fixed assets or access to such assets may be lost as a result of the land purchase or donation and there is potential for adverse socioeconomic impacts to occur if this is not properly managed. The RPF exists to protect people’s rights and ensure project activities are approached with full consideration of existing assets, with appropriate valuation of assets, and persons affected by economic displacement are duly compensated.

The aim of this RPF is to restore livelihoods resulting from the loss of fixed assets or access to such assets to pre-displacement levels wherever possible. The FFA has developed this Resettlement Policy Framework (RPF) in accordance with principles, objectives, procedures and rules set out in the World Bank Operational Policy OP/BP 4.12 – Involuntary Resettlement. Since the nature and precise location/s of potential developments has not been confirmed, this RPF establishes the principles, objectives, procedures and rules to be used in the preparation of abbreviated resettlement action plans (ARAP).

**ARAPs.** If any of the components of the Project result in **involuntary resettlement impacts that are minor** (i.e. affected people are not physically displaced and less than 10% of their productive assets are lost) **or fewer than 200 people are displaced**, the IA will prepare one or more **abbreviated resettlement plans (ARAP)** once the specific location of facilities and infrastructure is known and prior to the commencement of any works or activities being implemented.

## **C. Objectives, Definitions and Key Principles**

### **Objectives**

In World Bank-assisted projects, borrowers are expected to take all necessary measures to avoid, minimize, mitigate and compensate for adverse social impacts, including, but not limited to, those impacts associated with involuntary resettlement.

Every viable alternative project design and location should be explored to avoid, where feasible, or minimize involuntary resettlement.

If involuntary resettlement cannot be avoided altogether, sufficient resources should be made available to conceive and implement resettlement activities as sustainable development programs, in close consultation with displaced persons.

Displaced Persons should be assisted in their efforts to improve, or at least restore, their livelihoods and living standards to pre-displacement levels or levels prevailing prior to project implementation. This is accomplished primarily through: a) compensation at full replacement cost for losses of assets (for example, unharvested crops, structures etc.); b)

provision of other forms of assistance for livelihoods restoration; and c) physical relocation of assets, as necessary in accordance with OP 4.12.

### **Key Definitions**

For the purpose of this RPF, “**involuntary resettlement**” refers to economic displacement as a result of project activities set out in Section B. In this context, “**displaced persons**” refers to persons who are affected by the involuntary acquisition of land resulting in:

- loss of assets;
- loss of access to assets; or
- loss of means of livelihood as a direct result of loss of assets or access to assets.

“**Full Replacement cost**” is defined, under OP 4.12, as a method of valuation of assets that helps determine the **amount sufficient to replace lost assets and cover transaction costs**.

**Depreciation** of structures and assets to be replaced is **NOT taken into account** to determine the compensation amount necessary to meet Full Replacement Cost.

### **Full Replacement Cost for:**

- (a) **Agricultural produce or established gardens:** it is the pre-project or predisplacement, whichever is higher, market value of food produce of equal productive potential or use located on the voluntarily acquired land, plus the cost of preparing alternative areas to harvest levels similar to those of the voluntarily acquired land, plus the cost of any registration and transfer taxes.
- (b) **Houses and structures or assets:** it is the market cost of the materials to build a replacement structure or asset with an area and quality similar to or better than those of the existing asset/s, or to relocate the existing asset/s, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining full replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset.
- (c) **Land in urban areas:** Pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

**Where the law of project implementing agency does not meet the standard of compensation at Full Replacement Cost, compensation under domestic law is supplemented by the additional measures set out in this RPF.**

### **Key principles**

OP/BP 4.12 establishes the key principles to be followed in resettlement planning and implementation. Of particular relevance for this RPF are the following:

- a) Wherever possible, project design and ARAPs should be conceived as sustainable development programs, so that Displaced Persons may benefit from the benefits, services and facilities created for, or by, project activities.
- b) Involuntary Resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
- c) All Displaced Persons are provided prompt and effective compensation at full replacement cost for losses of assets (example: crops, trees, etc.) attributable directly to the project.
- d) Displaced Persons without a recognizable legal claim or right to the land they are occupying are provided with compensation for loss of assets and resettlement assistance (example: skills training, employment, etc.).
- e) Displaced Persons should be provided prompt and effective compensation at full replacement cost (including without depreciation or deduction for tax arrears, licensing or registration fees, or for any other purpose).
- f) When cultivated land is acquired, the borrower should support the reestablishment of crops through the transitional period if that is the preference of the Displaced Person.
- g) If new resettlement sites are to be prepared, replacement facilities and services are provided of a quality at least equivalent to those prior to displacement, or to minimum community standards, whichever is higher. Measures also are taken to ensure that resettlement sites do not diminish the quality or availability of facilities or services to surrounding host communities.
- h) If a commercial enterprise (e.g., shop or vendor, service provider, industrial facility) is required to close temporarily, the owner or operator is compensated for temporary loss of profits. If a commercial enterprise is required to relocate, the owner or operator is compensated at replacement cost for loss of assets and structures (including fixtures or improvements that cannot be relocated), is provided transitional assistance sufficient to meet costs of moving equipment and inventory, and compensated for loss of profits until business operations can be restored.
- i) The involuntary resettlement transition period should be minimized. Compensation for crops, structures and other assets should be paid prior to involuntary resettlement. Transitional support should be provided prior to the time displaced persons will incur transitional expenses.
- j) Displaced Persons should be informed and consulted through culturally appropriate methods/languages during the process of ARAP preparation, so that their preferences and concerns regarding involuntary resettlement and other resettlement arrangements are solicited and considered.
- k) Both the draft and final ARAPs are publicly disclosed in a manner and place accessible to Displaced Persons.

- l) The previous level of community services and access to resources should be maintained or improved after involuntary resettlement takes place.
- m) The ARAP should include an estimated budget for all costs associated with involuntary resettlement, including contingency arrangements.
- n) Monitoring and evaluation arrangements should be established for the borrower to adequately assess the effectiveness of ARAP implementation.
- o) Methods by which displaced persons can pursue grievances will be established as necessary, and information regarding these grievance procedures will be provided to displaced persons.

**D. Legal and Regulatory Framework**

The following information should be provided in the legal and regulatory framework analysis for each ARAP or VLD developed under the PROP:

- The scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
- The applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;
- Relevant national law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
- Laws and regulations relating to the agencies responsible for implementing resettlement activities; and
- Any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land, including claims that derive from customary law and traditional usage.

**Table 1 Country-level Gap Analysis to be prepared for each country**

Safeguard Requirements	Aspect / Gap in national legislation	Proposed Project Measures
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<p>Consultation with customary landowners and affected persons is essential, and may require their participation in baseline studies as part of the Social Assessment.</p>	<p>Is public consultation including formal consultation with customary landowners compulsory in the EA process or mandated under law?</p>	<p>Consultation Plan developed as part of Project Operations Manual during preparation phase</p>
<p>Where Indigenous Peoples are present, explore all viable alternative project designs to avoid physical displacement of these groups.</p>	<p>Is there specific legislation pertaining to the rights of Indigenous Peoples or customary lands?</p>	
<p>Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.</p>	<p>Does the proponent need evidence that all other options must be exhausted first?</p>	<p>Acquisition of land will only be pursued once all viable alternatives have been considered and no other suitable sites exist. The process and agreements between the Government and landowner are based on an ARAP approved by the Bank.</p>
<p>Affected persons/communities are provided timely and relevant information, and informed about their options and rights.</p>	<p>Is public consultation including formal consultation with customary landowners compulsory in the EA process or mandated under law? Does consultation go beyond making objections?</p>	<p>Consultation Plan developed as part of Project Operations Manual during preparation phase must ensure ongoing consultation throughout the project cycle. Where persons face direct adverse impacts, they must be informed about their entitlements, options, and provide feedback on designs and proposed mitigation measures.</p>
<p>Eligibility Criteria and cut off date – persons with either formal legal rights to land, no formal legal rights but valid claims to land/assets, or without legal rights but occupying land</p>	<p>Do national laws have provisions for those without legal tenure or title, with assets on the land, or occupying the land?</p>	<p>Compensation to all affected persons as defined in this RPF and under OP4.12.</p>



<p>Appropriate and accessible grievance mechanisms are established for affected persons/communities.</p>	<p>What are the formal and traditional grievance procedures in place?</p>	<p>A Grievance Redress Mechanism (GRM) has been detailed in the ESMF to enable issues to be addressed in a transparent and responsive manner.</p>
<p><b>Safeguard Requirements</b></p>	<p><b>Aspect / Gap in national legislation</b></p>	<p><b>Proposed Project Measures</b></p>
<p>Land Valuation/Compensation Standard - Where physical relocation is necessary displaced persons are provided compensation, transitional assistance and support to enhance or restore livelihoods</p>	<p>How are land and assets valued? Is it standardized or market-based and are sources of livelihoods also considered?</p>	<p>Provide compensation to all affected persons as defined in RPF and under OP4.12. Any ARAP prepared will specify full compensation and measures to enhance or restore livelihoods where necessary.</p>
<p>Full replacement cost to be paid for land and fixed assets affected by land resumption and payment of cash compensation for lost assets</p>	<p>How are land and assets valued? Is it standardized or market-based?</p>	<p>Provide compensation to all affected persons at full replacement cost as defined in RPF and under OP4.12. Any ARAP prepared will specify an inventory of losses will cover the value of impacted land, structures, business, livelihoods and assets.</p>
<p>The form of compensation is to be based on consultation, disclosure and needs of the affected person/s.</p>	<p>Who decides how the land will be compensated?</p>	<p>Activities will require participation and consultation of affected persons as set out in the Consultation section of the ESMF.</p>

Particular attention is paid to the needs of vulnerable groups.	Is their formal recognition of vulnerable groups, their participation and inclusion in consultation?	Activities will require participation and consultation of vulnerable groups as set out in the Consultation section of the ESMF.
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The legal and regulatory framework for land and involuntary resettlement related to OP4.12 in Phase 1 countries is briefly outlined below and be expanded upon in the ARAP.

***Republic of the Marshall Islands:***

**Legislative Context.** The Land Acquisition Act (1986) is the key legal instrument for the acquisition of land for public purpose by the Minister. The LAA was revised in 2012 and includes provisions for investigation activities, notification periods, rights and compensation for landowners.

***Tuvalu:***

**Legislative Context.** The *Native Lands Act* is an act relating to Native land and registration of title thereto. It establishes the principle of indefeasibility of native title to land once it had been registered by the Commission. (s 4). Native lands shall not be alienated whether by sale, gift, and lease or otherwise, to a person who is not a native. (s 5) However, native lands may be alienated to the Crown by lease. (s 5(2)). Tuvalu Lands Code is a subordinate law to the Tuvalu Lands Act. It is largely a codification of customs and practices governing land rights and inheritance of customary land for each island of Tuvalu. The *Crown Acquisition of Lands Act* is a law to regulate the acquisition of land by the Crown for public purposes. The Act provides power of the Minister to acquire any lands require for any public purpose absolutely or for a term of years or the Minister may think proper. It prescribes the process in the event the Minister is to exercise such power.

***Solomon Islands:***

**Legislative Context.** Customary tenure and governance systems are recognised in various national legislative instruments including the *Land and Titles Act 1996*, *Customary Lands Records Act 1996* and the Constitution of the Solomon Islands. Article 75 of the Constitution provides that Parliament shall make provisions for the application of laws, including customary laws and customary rights over land and marine areas. The Land and Titles Act outlines provisions for the acquisition of land for public purpose including compensation process and costs.

***Federated States of Micronesia:***

**Legislative Context.** Principal FSM and State laws include: (i) FSM Constitution; (ii) Yap State Constitution; and (iii) Division of Land Resources procedures (including Land Registration Bill 2010). Land Acquisition Procedures (LAP) were developed by the Attorney General solely for the purpose of The Yap Renewable Energy Development Project. The

LAP describes detailed procedures on land survey and resolution of disputes, acquisition of land by the State and transfer of land to the Yap State Public Service Corporation. The Yap State Standing Lease Committee (YSSLC) was responsible for the coordination and execution of land acquisition and compensation processes.

**Yap** - Most of the lands in Yap are privately owned. Approximately ninety-eight percent of land in Yap State is privately owned, with the majority of State owned land located in the capital of Colonia in the municipalities of Rull and Weloy. There is no established Act or Law for Yap State to acquire or determine fair market value of private land in Yap. However due to the need to acquire land for public infrastructure, the Attorney General has developed a Land Acquisition Procedure for acquiring land under the ADB-funded Yap Renewable Energy Project. Pending the approval of the Land Registration Bill, the said land acquisition procedure may guide future land acquisitions for public purpose in Yap State.

The Land Registration Bill or Bill No. 7-130, aims to provide for the survey and registration of lands in the State of Yap, and for other purposes. This bill was introduced to the Yap State Parliament in 2010.

Non-citizens cannot own land in Yap but they can lease land for a maximum of 99 years, including options to renew. Leasing of lands or making landowners partners or shareholders of projects, therefore, is viewed as the most appropriate arrangement for utilization of land. Upon request, the Yap State Government may act as an intermediary in finding suitable land arrangements. The Yap State Mortgage Law provides the necessary legal framework for land mortgages.

**Chuuk** - The majority of land in Chuuk is privately or commonly family- owned lands thus the State Government has limited land to locate public infrastructure. This has resulted to continuous challenge of acquiring land for public infrastructure such as power, water and airport. Executive Order (EO) No. 04-2007 of Chuuk State Government adopted the Asian Development Bank valuation zoning system. The EO also provided a zone map and base valuation, with modifications, and promulgating its implementation for acquisition or leasing of private land for public purpose in Chuuk State.

The Chuuk State Constitution provides for acquisition of land on its infrastructure requirement based on fair market value. The said EO aims to address concerns on determining the said fair market value, with clear land title and preventing real or apparent conflicts of interest in acquiring lands for the State.

This EO was updated after a valuation study supported by a previous ADB technical assistance project (ADB Private Sector Development Program Loan No. 1874) in April 2006 and 1998. From the valuation study, 30 valuation maps were produced. To avoid complicated transactions and perceived unfairness and confusion among and between landowners and the government involved, the valuation came up with simpler adjustments to the zone and base values, using an annual rent of per square meter of 10% of the base value, considered fair market value.

### **Socio-cultural Context**

**Yap** - In Yap, almost all land and aquatic areas are owned or managed by individual estates and usage is subject to traditional control. A key agency associated with the development of community based conservation areas is the Yap Community Action Program, or YapCAP. This agency mission is to operate or support programs aimed at environmental and cultural preservation and other sustainable economic and social development programs in the pursuit of self-reliance for all Yap citizens.

The agency’s environmental goals include:

- Implement the Yap Biodiversity Strategy and Action Plan to ensure the preservation of Yap’s unique environment.
- Work with communities to identify and develop environmental projects, and then link communities with the appropriate government agencies to aid implementation.
- Seek funding for environmental projects identified by community groups and other environmental agencies, and administer and regulate the funds.

**Chuuk** - In Chuuk State the majority of the land and aquatic areas are privately owned and acquired through inheritance, gift or, recently, by purchase. In all States, land cannot be sold to non-citizens of the FSM.

Due to the presence of a large number of WWII historic shipwrecks and other munitions the Chuuk Lagoon State District Monument Act has been adopted which provides for these items to be designated as a State district monument and therefore preserved. The removal of any equipment associated with these items is illegal.

These land and marine ownership patterns greatly influence the strategies and actions required to manage the resources of the states in a sustainable manner.

### **Cultural Heritage Preservation**

**Yap** - Historic preservation provision exists in the Yap State Code as well as in the State Constitution. A Historic Preservation Office is established pursuant to the “Preservation of Culture” Code Sections. Under this legislation, no person may wilfully remove historic property from Yap or disturb, damage or destroy such property without the express written permission of Governor, a local member of the Council of Traditional Chiefs, and a Historic Preservation Office.

**Chuuk**- The Draft Chuuk Historic Preservation Act. This Bill recognises the importance of physical cultural and historic heritage as well as the intangible heritage in tradition, arts, crafts and songs. The Bill proposes for the establishment of a Historic Protection Office (HPO) within the Department of Commerce and Industry whose principal objectives shall be to protect and conserve places of historic and cultural interest including intangible heritage.

Legislation exists (as above) which declares the approximately 80 submerged wrecks in the Chuuk Lagoon to be a war memorial and historic site. Removal of artefacts from the wrecks is prohibited and divers must have permits and be accomplished by licensed guides.

For this project, the IA agrees to carry out the project in accordance with this RPF and OP/BP 4.12 and, so, the IA agrees to waive any national legal, regulatory provisions in contradiction to the requirements established in this RPF, and to take actions necessary to ensure full and effective implementation of ARAPs prepared in accordance with the RPF.

### E. Preparing and Approving ARAPs

Responsibility for preparation, implementation and monitoring of ARAPs (including responsibility for meeting all associated costs with their implementation), in accordance with this RPF, rests with the IA. As necessary, the FFA and IA will exercise its authority to coordinate actions with any other agencies involved to ensure timely and effective ARAP implementation. Table 2 lists the safeguard instruments required for subprojects that may involve involuntary resettlement, voluntary land access or donation. Acquisition of land will only be pursued once all viable alternatives have been considered and no other suitable sites exist.

**Table 2** Safeguard instruments required under project scenarios

<i>EA/SA identifies that there will be:</i>	<i>Safeguard Instrument applied:</i>
Minor involuntary resettlement - No Physical Displacement or less than 10% of productive assets are lost	Abbreviated Resettlement Action Plan (ARAP)
Moderate involuntary resettlement - Physical and/or Economic Displacement of less than 200 affected people or less than 10% of productive assets are lost	Abbreviated Resettlement Action Plan (ARAP)
Significant involuntary resettlement - Physical and/or Economic Displacement of more than 200 affected people and/or more than 10% of productive assets are lost	Normally a Resettlement Action Plan (RAP) would be required, but subprojects identified to result in <i>significant</i> involuntary resettlement will <u>not</u> be eligible for funding under PREP (see negative list Annex A in the ESMF)
Land gifted by private or customary landowner/s for project purposes	Voluntary Land Donation Protocol (VLDP) (Attachment 1)
Small-scale involuntary land acquisition of customary or private land (short or long term)	Abbreviated Resettlement Action Plan (ARAP)

If **involuntary resettlement impacts are minor** (i.e. affected people are not physically displaced and less than 10% of their productive assets are lost) **or fewer than 200 people are displaced**, the IA prepares one or more **abbreviated resettlement plans (ARAP)**.

Preparation of the ARAP begins as soon as it is determined that involuntary resettlement is essential to complete any of the project activities and shall be finalized prior to the commencement of any works to carry out said project activities.

**Content of ARAP.** If an ARAP is necessary, it will be prepared in accordance with the policy principles and planning and implementation arrangements set forth in this RPF. The ARAP is based on accurate baseline census and socioeconomic survey information, and establishes appropriate mitigation measures (e.g., compensation at full replacement cost for loss assets, transitional assistance for relocation, transitional assistance for livelihood restoration, transitional assistance for commercial enterprises) for all relevant categories of adverse impacts. The IA (with support from other agencies as required) will carry out, or cause to be carried out, a census survey to identify and enumerate Displaced Persons and to identify and inventory land and other assets to be required. The census survey must cover 100 percent of the Displaced Persons. The census survey also establishes whether any displaced persons are significantly affected by loss of productive land, whether any commercial enterprises are affected, or loss of assets.

Appropriate mitigation measures (e.g., compensation at full replacement cost for loss assets, transitional assistance for relocation, transitional assistance for livelihood restoration, transitional assistance for commercial enterprises) will also be established for any adverse impacts.

The following will be addressed in the ARAP depending on the scale of impacts and subproject category:

- a) Description of the project activity causing involuntary resettlement and explanation of efforts to avoid or minimize involuntary resettlement associated with the project (alternative project designs or locations considered);
- b) Range and scope of potential adverse resettlement impacts including identification of alternative sites and selection;
- c) Findings of socioeconomic survey, gender analysis and baseline census survey information (including number of people affected);
- d) Review of relevant laws and regulations relating to land acquisition and involuntary resettlement;
- e) Percentage of land holding taken and evidence of landownership, tenure, acquisition and transfer titles or documents;
- f) Description of asset valuation procedures and specific compensation rates (or alternative measures) for all categories of affected assets;
- g) Inventory, valuation of, and compensation for lost assets (quantity and type of assets);
- h) Other assistance measures, if any, necessary to provide opportunities for livelihood restoration for Displaced Persons;
- i) Assistance to affected commercial enterprises;
- j) Eligibility criteria for compensation and all other forms of assistance;
- k) Summary entitlements matrix;
- l) Relocation arrangements, if necessary, including transitional support;

- m) Resettlement site selection, site preparation, and measures to mitigate impacts on host communities, if necessary;
- n) Restoration or replacement of community infrastructure and other services;
- o) Land donation arrangements and documentation requirements as per VLDP, if relevant;
- p) Organisational responsibilities for implementation;
- q) Community participation and disclosure requirements and arrangements;
- r) Resettlement implementation schedule with time-bound actions;
- s) A detailed cost estimate and budget;
- t) Monitoring and evaluation;
- u) Grievance resolution and appeals procedures.

## **F. Eligibility Criteria**

“**Displaced persons**”, under OP 4.12, for the purpose of this framework refers to persons who are affected by the involuntary acquisition of land resulting in:

- loss of assets;
- loss of access to assets; or
- loss of means of livelihood as a direct result of loss of assets or access to assets.

The social assessment (SA) will identify persons whom may fall into these specific categories. Compensation eligibility and compensation valuation will be conducted by each IAs according to the OP 4.10 (<http://go.worldbank.org/GM00E1Y580>).

The Process Framework (Section VI, Annex D) subsection “Identifying Project Affected Persons” identifies project affected persons (PAPs) as those who depend on access to resources to maintain their stand of living and who may or may not have formal legal rights or claims to the resources in question<sup>25</sup>. See Annex D for more details.

## **G. Land Donation Arrangements and Documentation**

For land donated by the community or landowners for specific project needs, the Voluntary Land Donation Protocol (VLDP) in Attachment 1 of this RPF will be followed.

## **H. Communal Land Acquisition – Guiding Principles**

If communal land is required for the Project, the resettlement planning process establishes the following:

- a) Alternatives to land acquisition are considered. Especially where replacement land is scarce or non-existent, or where customary land tenure is deemed inalienable, negotiated agreements for long-term lease, even for infrastructure siting, should be considered.
- b) Where communal land must be acquired, collective compensation may be appropriate. Under such conditions, compensation is used solely for appropriate

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<sup>25</sup> See Paragraph 15 of OP4.12 (Annex 1).

- community purposes, or is distributed equitably among community members. The ARAP describes arrangements for usage of collective compensation.
- c) Individual users and occupants of acquired communal land are identified in the census prepared for the ARAP and it describes mitigation measures or negotiated agreements providing for restoration of their livelihoods or living standards.
  - d) Where replacement land does not exist, it will be impossible to establish a technical valuation for replacement cost. The ARAP describes alternative means used for valuation. This may include negotiated agreement with affected communities.
  - e) Where negotiated agreements for land valuation, for long-term lease, or for provision of remedial assistance to users or occupants of acquired communal land, are to be established, the resettlement plan describes the methods by which affected communities are involved in the negotiations, and methods by which terms of negotiated agreements are fully disclosed to them, in a manner accessible to the affected community.
  - f) If relevant, the ARAP describes any changes that may occur regarding land use and tenurial arrangements for remaining communal land in project-affected areas.
  - g) The ARAP describes a process by which conflicting claims to ownership or use rights will be addressed.

## **I. Implementation Process**

A time-bound implementation schedule of all activities relating to involuntary resettlement shall be included in the ARAP. Payment of compensation should be completed at least one month prior to involuntary resettlement. If there is a delay of one year or more between land or asset valuation and payment of compensation, compensation rates will be adjusted for inflation purposes.

## **J. Budget and Costs**

The IA bears responsibility for meeting all costs associated with involuntary resettlement. Any ARAPs prepared in accordance with this RPF require a budget with estimated costs for all aspects of their implementation. All Displaced Persons are entitled to compensation or other appropriate assistance and mitigation measures, regardless of whether these persons have been identified at the time of resettlement planning, and regardless of whether sufficient mitigation funds have been allocated. For this reason, and to meet any other unanticipated costs that may arise, the ARAP budget shall include contingency funds, i.e. at least 10 percent of estimated total costs.

**Compensation must be paid promptly and in full to the Displaced Person.** No deductions from compensation will occur for any reason. The ARAP should describe the fiscal procedures by which compensation funds will flow from FFA and IA to the displaced persons.



## **K. Consultation and Disclosure Arrangements**

**Disclosure and consultation on the ARAP.** The ARAP must describe measures taken to consult with displaced persons regarding proposed land acquisition, transitional assistance, relocation arrangements, and other arrangements, and summarizes results of those consultations. The IA also discloses the ARAP - both the draft and final versions – to the displaced persons and the general public in the project area, in a language and location accessible to them. Disclosure of the draft ARAP should occur at least one month prior to Bank review. Disclosure of the final ARAP occurs following Bank acceptance.

## **L. Monitoring Arrangements**

Monitoring arrangements will be established in the ARAP to assess the effectiveness ARAP implementation in a timely manner. Monitoring includes review of progress in land acquisition, payment of compensation, provision of transitional assistance, and functioning of project grievance procedures. The ARAP should establish the frequency of monitoring activities. Monitoring should be conducted by an individual, firm, or community organization not directly affiliated with the IA. Any issues or problems associated with ARAP implementation that are observed in the monitoring process will be reported to the IA and the World Bank project team.

Prior to project completion, the monitoring process will assess whether livelihoods and living standards of displaced persons have been improved, or at least restored. If these objectives have not been achieved, the IA identifies, plans and implements supplemental measures necessary to achieve satisfactory outcomes.

## **M. Grievance Procedures**

A consultative ARAP process and effective ARAP implementation will reduce the likelihood of project-related complaints. However, to ensure that displaced persons have avenues for raising complaints relating to land acquisition, compensation payment, relocation, impacts on livelihoods, construction-related damages, or other aspects of project implementation, a multi-step grievance procedure will be established in the Project Operations Manual (POM) or ARAP. Necessary elements of the grievance procedure include:

- ✓ Stage 1, within the local village or town level, in which any person aggrieved by any aspect of the land acquisition or involuntary resettlement process can lodge an oral or written grievance to the IA. This complaint shall be appropriately documented and registered by the IA. If the complaint cannot be resolved within 30 days of receipt, it advances to the second step of the process.
- ✓ Stage 2, if the aggrieved person is not satisfied with the outcome of initial stage consideration, or if local level review is unable to reach a proposed solution, the aggrieved person can refer the issue to the PROP Coordinator or a grievance committee established by FFA and IA. The grievance committee, chaired by the IA, also includes representatives not directly affiliated with the IA, reviews issues raised in the initial complaint and any actions for resolution suggested at the lower level and makes recommendations for resolution within 30 days.

- ✓ Stage 3, if the aggrieved person is still dissatisfied following review by the grievance committee, the case may be referred to legal proceedings in accordance with national laws and procedures.

31. The IA keeps a record of all complaints referred to the grievance committee, including a description of issues raised and the outcome of the review process.

## **Attachment 1. VOLUNTARY LAND DONATION PROTOCOL**

### **A. Background**

This Voluntary Land Donation Protocol (VLDP) has been prepared by the World Bank for the purpose of due diligence. This annex includes a Land Commitment Letter to be used by the implementing agency in cases where land is being donated.

For cases where communities and/or individual landholders have offered to donate their land for the project because it is of benefit to the broader community, the World Bank's Voluntary Land Donation Protocol (VLDP) should be followed. The project team is to exercise their best judgment where voluntary land is offered, and conduct due diligence to avoid adverse impacts and reputational risks. Donations are usually based on the premise that the project benefit will offset or outweigh the loss of the land donated.

Voluntary donation of land by beneficiary households is acceptable where:

- (i) It has been verified the donation did not result from any form of coercion or manipulation and is offered in good faith;
- (ii) The donation does not severely affect the living standards of the community and/or individual landholder responsible for the donation (i.e. impacts are marginal based on percentage of loss and minimum size of remaining assets);
- (iii) Alternatives and the viability of other locations or sites have been considered;
- (iv) The donation does not result in the displacement of households or cause loss of income/livelihood;
- (v) The landholder/s making the donation will directly benefit from the project;
- (vi) Consultation has been conducted in an open and transparent manner and to a degree that the landholder/s can make an informed choice;
- (vii) The land is free from disputes regarding ownership;
- (viii) Land transactions are supported through the transfer of titles; and
- (ix) Full and proper documentation of all consultations, meetings, grievances and actions taken to address grievances has been reviewed and made available.

To ensure that any land provided for the siting of subprojects is contributed voluntarily, in accordance with the requirements of the ESMF, two representatives of the land owners (family or clan) are asked to sign a Land Commitment Letter (see below). This certifies that the land is voluntarily donated for the purposes of the subproject and for the benefit of the community. The signature of the Letter is witnessed (as attested by their signature) by a suitable project representative (e.g. Project Manager).

### **B. Introduction**

World Bank-assisted projects frequently require temporary or permanent use of land for siting of infrastructure or facilities. Where land is required, preference should be given to acquiring it on a voluntary basis (the “willing buyer, willing seller” approach). However, where this is not feasible, World Bank OP 4.12, Involuntary Resettlement, establishes the conditions and procedures that must be followed when acquisition of land on an involuntary basis results in the social and economic impacts identified in the policy.

In the PICs, access to land is sometimes achieved through a process of voluntary land donation (VLD). Such a process has been adopted in order to address – in a practical manner – some of the complex features of land ownership, use and administration in the PICs. Nevertheless, many of the risks associated with involuntary resettlement have the potential to affect the voluntary land donation process. Care needs to be taken in ensuring that the process is transparent, based on knowledge and consent and is accurately documented. This Protocol, which should be followed in all cases of voluntary land donation, aims to address these issues, and assist project teams in minimizing the potential risks.

### **C. Land in Pacific Island Countries**

The land situation in many of the PICs is complex. A number of factors contribute to this:

- Many PICs do not have comprehensive formal procedures for land acquisition and, even where formal procedures exist, legal and institutional processes can be complex and time consuming;
- Different systems of land use and property rights may exist on the same land;
- Complex patterns of customary collective ownership may exist, which are inconsistent with private ownership, use rights, or de-facto possession;
- These different, and sometimes conflicting, land systems can make it difficult to establish with certainty who has a right to own and use a specific parcel of land;
- Such difficulties can make it difficult to reach a clear determination of the extent to which the informed consent of those who actually are affected by a transfer of land has been achieved; and
- Local representation and negotiation processes can increase the risk of informal political or social pressure.

For the reasons identified above, any proposals for land acquisition or use in connection with a project – whether “willing buyer, willing seller,” involuntary acquisition or voluntary donation – needs to be carefully assessed.

### **D. The Basis for Using A VLD Approach**

This section provides guidance to help determine:

- Whether VLD is a suitable approach for a specific Bank-financed project
- Whether the proposed donation is voluntary or not.

In some circumstances, it is proposed that land required by the project be donated by individuals or the community on a voluntary basis. At the outset, two questions need to be answered:

#### ***1. Is land donation appropriate in the circumstances of this project?***

Land donation is, generally, only suitable for community driven projects where the community (and each member owning or using the land) wishes to provide small amounts of land to support initiatives that will benefit the community. This is an important point to bear in mind in assessing whether voluntary donation is appropriate. The donation of land for medium to large scale infrastructure, particularly in cases where

a government agency or entity that has a statutory obligation to provide the infrastructure and/or services for which the land is required, is not appropriate. Voluntary donation should be used only to support small scale community infrastructure where impacts are minor. Have other sites been considered? How are alternatives screened out?

## **2. *Is this donation voluntary?***

In practice, determining whether a land transaction is voluntary or involuntary can be difficult. A useful starting point is OP 4.12, which defines “involuntary” as “*actions that may be taken without the displaced person’s informed consent or power of choice.*” Accordingly, in assessing whether a potential donation is voluntary, it is necessary to focus on whether the owner(s) or user(s) of the land understand:

- The exact demarcation of land boundary for the project’s use;
- What the land is going to be used for, by whom and for how long;
- That they will be deprived of the ownership or right to use the land, and what this really means;
- That they have a right to refuse to donate the land;
- Whether there are proposals which would allow other land to be used;
- What they will need to do to donate the land, and what costs are involved;
- The intergenerational effect of the donation on their family, what they can do if they (or their family or heirs) want the land back.

The issues above assume that it is straightforward to identify the owners or users of the land, and that there are no competing (or potential) competing claims to that land. Clearly this is not always the case.

In many circumstances either: (a) the proposed use of the land means that voluntary donations are not appropriate; or (b) having examined all the relevant facts, it is difficult to determine – with a reasonable degree of certainty – that the donation is being made by the right parties and is truly voluntary. In these circumstances, OP 4.12 should be triggered and a RPF or RAP prepared, following the template set out in these PIC Procedures. In cases where there is any doubt as to whether the donation is truly voluntary, OP 4.12 should be triggered.

## **E. Limiting Potential Harm**

This section provides good practice guidance to limit any potential harm associated with a proposed VLD. Examples of such good practice include, for example, the requirement that the donation of land will not cause any household relocation.

Over the years, a number of practices have developed in the Bank which seek to limit any potential harm associated with a proposed voluntary donation. These include that: (a) the proportion of land donated by any individual cannot exceed 10 percent of the potential donor’s land holding; and (b) the donation of land will not cause any household relocation. As discussed previously, voluntary donation should be used only to support small scale community infrastructure, where the impacts are minor.

It is important to consider whether there are alternatives to land donation which would adequately support the project, such as the granting of rights of way or use for a specific period of time.

It is good practice to ensure that the documentation establishes a deadline to initiate project use of donated land. Any donated land that is not used for its agreed purpose by the agreed deadline is returned to the donor. However, where the land has already been legally transferred, this will frequently require further administrative processes, fees and taxes to return the land.

A further complication is that, in some cases of VLD, the donor of the land may request compensation or other benefits to be paid as a condition of the land transfer not in connection to the transfer of the land itself, but in relation to structures or other fixed assets on the land. This can lead to conflict with other individuals also donating land, and has the potential to undermine the VLD process. A donor may also agree to transfer only part of the land required. Such requests need to be carefully evaluated at the outset and, if agreed, documented appropriately.

Due diligence and consultation, discussed in more detail below, is important. It is often not possible to implement the VLD unless adequate information is gathered regarding owners, users, legal requirements and community practices, and is available at the outset. Such information is important to ensure that the voluntary land donation is sustainable, and occurs without causing conflict in the community. In some circumstances, disputes can arise between the owner of the land, who wishes to donate, and the user(s), who do not; such issues need to be resolved in a transparent and equitable manner.

## **F. Process for Voluntary Donation**

This section provides guidance on the process for VLD, namely on how to:

- Determine and document the appropriateness of VLD in the project context;
- Verify the requirements of the donation and the formalization of the donation;
- Carry out due diligence on the owners and users of land donated;
- Ensure appropriate consultation and disclosure;
- Establish informed consent of the person donating the land;
- Document the legal transfer of land donated; and
- Establish grievance redress mechanism.

It is necessary to follow a clear process for the donation, and to prepare and maintain documents that demonstrate such process. Each step set out below should be addressed in the context of the specific project, and fully documented.

### ***1. Determine and document that VLD is appropriate in the circumstances of the project.***

The team should record the reasons why it thinks that the donation of land is appropriate for the project. In certain cases, only some of the land the project requires will be donated or alternatives to land donation exist. The project team should identify (in as much detail as possible):

- What the land will be used for;
- How much land the project will require on both a permanent and temporary basis;
- How much of the land will be donated;
- What alternatives to donation exist (e.g., right of use, right of way);

- The terms of the donation;
- The identities of the parties who intend to donate;
- The beneficiary of the donation; and
- Any details that are relevant to why donation may be appropriate.

## **2. *Verify the requirements to transfer, and formalise the transfer of, the land***

It is important to understand the process that should be followed to transfer the land, and appropriate ways to formalize the transfer so as to achieve certainty for both the transferee of the land and the project. In many countries this will require consideration of the legal and administrative requirements but also, particularly in the case of customary land, local and community processes. In some cases, these will constitute two different but parallel (and overlapping) systems and a process will have to be established to ensure that the requirements of each system are satisfied. An important consideration will be how transparent the process and the decision making process actually is, and what can be done to enhance the process.

## **3. *Conduct due diligence on who owns and uses the land***

Given the specific issues surrounding land ownership and use in the PICs, it is important that the project team carries out careful due diligence to understand the type of land rights that exist in the project area, and to identify any particular issues relating to land ownership and use. Thereafter, a more specific due diligence must be conducted on each parcel of land proposed for donation to identify:

- The owner or owners of the land;
- The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
- Any competing claims of ownership or use;
- Structures and assets on the land;
- Any encumbrances on the land.

It is important to: (a) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the transferee actually has the right s/he claims to have. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at a later stage when another party claims that they have the same or a competing right. In some circumstances – but not all – the transferee will have documentary evidence of such right. Where no such evidence exists, the due diligence can establish rights by speaking with local community officials and neighbours.

## **4. *Disclosure and Consultation***

The decision to donate must be taken on the basis of a full understanding of the project and the consequences of agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the location and

amount of land that is sought be provided and that its intended use for the project is disclosed.

Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.

There should be a clear agreement as to which party will pay the costs associated with the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of remeasuring/re-titling the transferee's remaining land and any new documentation relating to it.

### **5. *Establishing Informed Consent***

It is crucial that the project team is confident that the decision to donate was taken in circumstances of *informed consent or power of choice*. As discussed earlier, this means being confident that the owner(s) or user(s) of the land understand:

- What the land is going to be used for, by whom and for how long;
- That they will be deprived of the ownership or right to use the land, and what this really means;
- That they have a right to refuse to donate the land;
- Whether there are alternatives to using this land;
- What they will need to do to donate the land (e.g., execute documents, get spousal consents, pay taxes);
- The effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back.

The right to refuse must be a legitimate right, unconditional, and the potential transferee must be capable of exercising it in the local community and political context. For this reason, it is important to be sure that the decision to donate is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities. For collective or communal land, donation must be based upon the informed consent of all individuals using or occupying the land.

### **6. *Documentation***

It is necessary to distinguish between: (a) the agreement to donate the land; and (b) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer of the land is frequently complicated and time consuming, it must be addressed. [In specific circumstances, for example where the land is being transferred to the community, it may not be necessary to legally transfer the land. However, experience indicates that lack of formal transfer can create significant uncertainty in the future, which impacts on the



sustainability of the infrastructure and services, and can have a negative effect on community relations.]

The project team should:

- Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required;
- Ensure that the agreement:
  - Refers to the consultation has taken place;
  - Sets out the terms of the transfer;
  - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
  - Attaches an accurate map of the land being transferred (boundaries, coordinates);
  - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights;
- Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
- Ensure that the transfer and title is registered or recorded; and
- Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded.

It is also important to maintain a record of the process that has been followed. Such documents could include the following:

- The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public;
- Records of the consultations that were held and what was discussed;
- A copy of the due diligence that was conducted;
- Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved;
- Copies of all documents, registrations or records evidencing the legal transfer of the land;
- A map, showing each parcel of land.

The project implementing agency should maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

## **7. Grievance Arrangements**

The project specifies means by which donors (and, potentially, persons whose use or occupancy was not recognized in the transfer of land) may raise grievances, and measures to ensure consideration of, and timely response to, grievances raised. The grievance process includes participation of reviewers not directly affiliated with the project implementing agency. Grievances may be referred to customary conflict mediation arrangements where they are not directly affiliated with traditional leaders who are a party to the donation process. Alternatively, the established **grievance redress mechanism (GRM) in the PF** may be referred to. The grievance process

imposes no cost upon those raising grievances, and participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.

#### **G. EXIT PROCESS for PROBLEM SUB-PROJECTS**

An Exit Process provides project staff with guidance as to how to deal with subprojects in which disputes emerged that were preventing implementation. These guidelines are shared with the communities, when a subproject is deemed to be a “problem” so that they are aware of the steps required to follow to resolve the dispute. The Exit Process is facilitated and supported by the PROP Coordinator, and IA if needed. If the process does not result in a resolution of the problems faced by the community, the subproject is terminated.

When it is beyond doubt that factors affecting a sub-project cannot be resolved or require support beyond IA’s capacities guidelines will be developed to allow the IA’s to systematically respond to such situations by outlining what action is to be taken during both sub-project preparation and sub-project implementation. The actions described will also help communities avoid lengthy deliberation processes or extended periods of inactivity by providing time-bound steps leading to judicious decisions on sub-project termination.

**LAND COMMITMENT LETTER TEMPLATE**

**Project:** \_\_\_\_\_ **Location:** \_\_\_\_\_

<b>Project Partner</b>	<b>Name</b>	<b>Organisation</b>
Team Leader (PMU)		
Town, District or Provincial Officer		
Project Representative		

Dear Sir/Madam,

**Re: LAND AVAILABILITY FOR THE PROJECT**

This letter serves to confirm our commitment that land is available for the project. This land is given for the use of the \_\_\_\_\_.

The owners of the land in our community are Mr/Ms. \_\_\_\_\_ who with a second family/tribal member confirm our commitment by putting their hand hereto;

This piece of land (\_\_\_\_\_) is confirmed to be free from dispute and the Project Representative and subsequent committees appointed by the village to administrate the infrastructure are free to use the said land to provide/improve/expand the provision of the services directly provided by the infrastructure. The landowners fully agree that this commitment is irrevocable.

I/we hereby sign confirming that the above is true and correct:

<b>Party</b>	<b>Name</b>	<b>Signature</b>	<b>Date</b>
Landowner			
Landowner Representative			
Project Representative (verification)			

## Annex D. PROCESS FRAMEWORK

### July 2018 Content:

**I. Introduction II. Regional Context III. Institutional Context IV. Project Components and Access Restrictions V. Administrative and Implementing Arrangements VI. Enabling a Participatory Process VII. Grievance Redress Mechanism VIII. Budget Considerations Glossary References Appendix 1 Consultation Plan Appendix 2 Grievance Resolution Template**

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### I. Introduction

The Pacific Islands Ocean Region covers 11 per cent of the global ocean area and is home to a number of diverse, yet vulnerable, island states. In recent years there has been an increasing demand for assistance to improve the environmental and resource quality of the region’s marine areas and fisheries from Pacific Island Countries (PICs) and regional organisations. Following extensive engagement with PICs, a regional program of International Development Association (IDA) financing and technical assistance was developed, known as the Pacific Islands Regional Oceanscape Program (PROP). The PROP comprises a series of investments that will enable participating Pacific Island Member States<sup>26</sup> to capture greater economic benefits from sustainable management of the region’s oceanic and coastal fisheries, and the critical habitats that sustain them.

Through a coordinated regional approach, the PROP provides assistance to Member States who face a common set of development issues and goals, and share transboundary fisheries and fish resources. The implementation of marine and coastal management measures as part of PROP

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<sup>26</sup> World Bank member states include: Federated States of Micronesia (FSM), Fiji, Kiribati, Palau, Papua New Guinea, Republic of the Marshall Islands (RMI), Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

activities have the potential to result in access restrictions on marine resource use<sup>27</sup> which constitutes social impacts under the World Bank’s safeguard policy OP4.01 Environmental Assessment. For this reason, the PROP presents this regional Process Framework (PF) to guide participating Member States on a best practice approach to avoid and/or manage potentially adverse social impacts on marine resource users.

Member States for Phase One of the PROP include Tuvalu, the Solomon Islands, Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI).

## Purpose and Scope of the Process Framework

This Regional PF describes requirements to address social safeguard issues that may arise from restriction of access to natural resources under the PROP. It is recognised that the imposition of restrictions on natural resources may result in raised environmental and social concerns, scenarios that disrupt social structures and community cohesion, or a loss of assets and incomes. These adverse social impacts are likely to lead to greater hardship or impoverishment unless appropriate measures are taken.

Since PROP activities have the potential to result in adverse livelihood impacts to fishers and marine resource users, the World Bank’s Operational Policy (OP4.12) *Involuntary Resettlement* has been triggered. OP 4.36 Forests has been triggered due to the development of finance mechanisms for Marine Protected Areas and Ocean Finance mechanisms (through the FFA PROP Project). In addition, as activities will be occurring in countries where Indigenous People<sup>29</sup> are present, Operational Policy *Indigenous Peoples* (OP4.10) has also been triggered. Thus, the PF has been prepared in compliance with requirements stated in OP4.12 and with consideration for key elements of OP4.10.

This PF provides guidance for participating Member States on the implementation of access restrictions, activities and associated consultation processes. The purpose of the PF is to establish a process by which project affected persons (PAPs) and communities participate in the design of access restrictions, have input into mitigation measures necessary to achieve livelihood restoration where economic displacement is likely to occur, and contribute to ongoing project monitoring<sup>28</sup>. The overall objective of the PF is to avoid, minimize or mitigate potentially adverse effects of access restrictions and ensure PAPs are meaningfully consulted and enabled to participate in project activities that may affect them. In other words, where involuntary restrictions apply, a participatory approach will be enabled.

The scope of the PF does not include activities that involve physical resettlement of persons as a result of involuntary land acquisition, as these are ineligible for PROP financing<sup>29</sup>; or voluntary community-based management measures<sup>30</sup> as these do not trigger safeguard policies. Further, the

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<sup>27</sup> Paragraph 3(b) of OP 4.12 states: the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. <sup>29</sup> Definition of Indigenous People is covered in Section II.

<sup>28</sup> Paragraph 7 of OP 4.12 requires a Process Framework.

<sup>29</sup> Paragraph 7 of OP 4.12 requires a Process Framework.

<sup>30</sup> Footnote 6 of OP 4.12 states that “the policy does not apply to restrictions of access to natural resources under community-based projects, i.e., where the community using the resources decides to restrict access to these resources

implementation of legally enforceable national or provincial<sup>31</sup> level marine resource management regulations<sup>32</sup> does not trigger OP4.12, *unless* national legislative provisions and capacity and/or community decision-making processes are inadequate to effectively mitigate adverse social and livelihood impacts, particularly where vulnerable groups are concerned. In this case, the PF is the suitable safeguard instrument and should be applied.

## Outline of Process Framework

The sections of this PF are as follows:

- Section I provides the background to the PROP and PF.
- Section II establishes the regional context of the PROP, including the fisheries sector and marine management.
- Section III introduces the institutional context, i.e. the legal and policy setting.
- Section IV summarises key components of the PROP and potential social impacts of access restrictions.
- Section V outlines the administrative arrangements for PROP implementation and information dissemination requirements.
- Section VI outlines requirements of the participatory process regarding access restrictions including:
  - Eligibility Criteria for PAPs;
  - Livelihood restoration and mitigation measures; and
  - Implementation, monitoring and evaluation arrangements.
- Section VII provides a grievance redress mechanism and protocols for grievance resolution.
- Section VIII presents potential costs for participatory activities to be considered in program and budget allocations.

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<sup>31</sup> This may also be referred to as State or District government depending on the governance structures of the country.

<sup>32</sup> Footnote 10 of OP4.12 states “This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups”

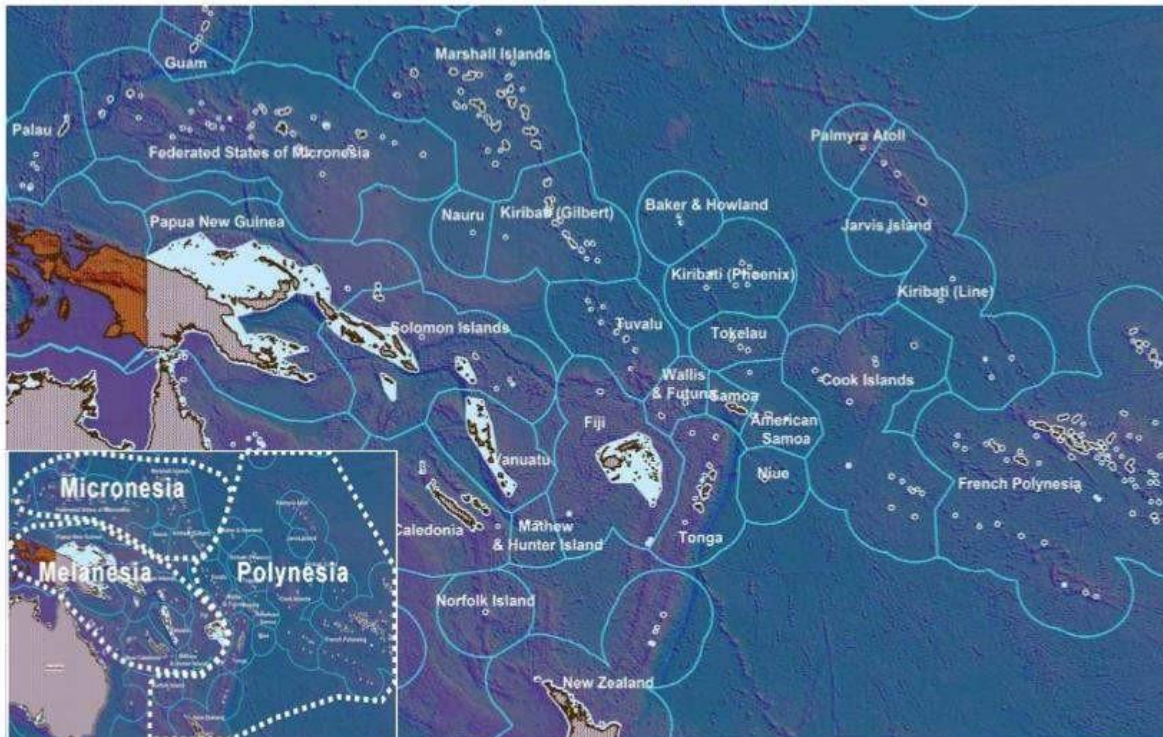
## II. Regional Context

### Pacific Region

The Pacific Islands Ocean Region is home to 22 small island countries and territories divided into three subregions: Micronesia, Polynesia and Melanesia. Exclusive Economic Zones (EEZs) of Pacific Island countries (PICs) cover a total of 30.5 million km<sup>2</sup>. This is in stark contrast to land resources of about 550,000 km<sup>2</sup>, which is equivalent to about 1.8% of their maritime jurisdiction (Figure 1).

The economies of PICs are fundamentally shaped by their geography and comprise around 9 million people living on hundreds of islands and sharing common trans-boundary oceanic and fishery resources. These resources are threatened by numerous factors including overfishing, coastal habitat degradation and pollution from a wide range of sources. Overfishing threatens the long-term sustainability of the region’s key fish stocks and economic development opportunities. Additionally, climate change is projected to result in sea level rise, increased sea surface temperatures (with impacts on fishery resources and habitats), potentially more intense and frequent storm events in the region, and increased acidity - which has implications both for food security and for the ecosystem services provided by coral reefs (e.g. coastal protection).

Figure 1: Pacific Island Countries and Territories showing boundaries of Exclusive Economic Zones (EEZs) territorial seas. Inset shows the regions of Melanesia, Polynesia and Micronesia. (Pacific Islands Regional Maritime Boundaries Project, SOPAC [www.sopac.org](http://www.sopac.org))



## Fisheries Sector

Pacific regional fisheries are divided into ‘oceanic’ (or ‘offshore’) and ‘coastal’ (or ‘inshore’) categories, depending on the geographical range and distribution and the ways in which they are exploited. Each can be summarised as:

- **Coastal fisheries** support national food security, export commodities and subsistence livelihoods in rural areas which involve small-scale and localized harvesting of a diverse range of reef and lagoon fish, finfish, invertebrates and plants by thousands of subsistence, artisanal and commercial fishers throughout the region. Virtually all the coastal catch is taken by PICs themselves, with very little access by foreign fishing vessels (FFVs), the majority of which is from subsistence fishing activities.
- **Oceanic fisheries** are the target of large-scale fishing vessels whose products (e.g. tunas, marlins, billfishes, sharks and allied species) are sourced from the Western Central Pacific Ocean (WCPO) and landed at industrial fish processing facilities. Tuna fisheries represent a valuable economic resource with the large majority of tuna catches in Pacific Island waters taken by FFVs of Deep Water Fishing Nations (DWFN) operating under access agreements. Access fees paid by FFVs provide significant financial revenue to small islands states. One of the most significant initiatives to date has been the vessel day scheme (VDS) introduced by the Parties to the Nauru Agreement (PNA) to manage access for purse seine tuna fisheries. This relies heavily upon regional cooperation as it restricts the number of vessel fishing days in an effort to maintain sustainable catch rates. The VDS has subsequently increased revenue significantly to PNA countries<sup>33</sup>.

Both coastal and oceanic fisheries contribute significantly to the economies of all PIC and both are facing increasing pressure from overexploitation and overfishing which threatens the long-term environmental sustainability, regional food security and economic viability of PICs (Hanich, 2010).

## Indigenous Peoples and Customary Marine Tenure

PICs derive significant economic and social benefits from their marine resources, with many coastal communities depending on them for their livelihoods. Customary tenure, or communal ‘ownership’ rights over particular areas, is common throughout the Pacific region and is particularly strong in Melanesia (e.g. Solomon Islands) especially in rural areas. Customary tenure is associated with Indigenous Peoples as a traditional means of administering and allocating natural resources, i.e. land and coastal areas including coral reefs, which allows particular groups of people rights to access and control access to resources (e.g. through ‘*tabu*’ or no-take zones).

Customary tenure is inherited through family and clan lineage and based on the principle of cooperation to meet subsistence, economic, cultural and spiritual needs (Baines 1989). Customary tenure systems are as diverse as they are complex, based on unwritten rules to ensure valuable ‘resource knowledge’ remains embedded in the local culture, which contributes to a distinct cultural identity. Communal resource ownership also means that numerous people tend

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<sup>33</sup> FSM, Kiribati, RMI, Nauru, Palau, Solomon Islands and Tuvalu.



to be involved in decision-making regarding the allocation of resources and proposed developments. In places where traditional leadership or customary systems have eroded, the concept of customary access rights has weakened and can also mean they are subject to exploitation (Bennett 2012).

Indigenous People and customary rights are often formally recognised in national regulations or legislation and are protected internationally<sup>34</sup>, as well as in the World Bank operational policies. For the purpose of safeguard policies (specifically OP4.10), the World Bank defines *Indigenous Peoples* as individuals and groups with the following characteristics:

- (i) Self-identification as members of a distinct indigenous cultural group and recognition of this identify by others;
- (ii) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources therein;
- (iii) Customary cultural, economic and social or political institutions that are separate from those of the dominant society and culture; and
- (iv) An indigenous language often different from the official language of a country or region.

*Specific safeguard requirements pertaining to Indigenous People are discussed in Annex B Indigenous Peoples Planning Framework of the Environmental and Social Management Framework (ESMF)*

### **III. Institutional Context**

#### **Regional Legal and Policy Setting**

Over the last decade, substantial efforts have been made towards better governance of marine resources and fisheries in the Pacific. Regional policy initiatives such as the Pacific Islands Regional Ocean Policy (PIROP) (2002), the Pacific Plan (2005), the Pacific Islands Regional Ocean Framework for Integrated Strategic Action (PIROF-ISA) (2005), Pacific Islands Regional Coastal Fisheries Management Policy ('Apia Policy') (2008) and the Pacific Oceanscapes Framework (2010) have been endorsed by Pacific leaders and complimented by large-scale, multi-country conservation programs such as the Micronesia Challenge, the Coral Triangle Initiative (CTI) and the expansion of a Locally Managed Marine Areas network (LMMA).

Regional organizations such as the Pacific Community (SPC), Fisheries Forum Agency (FFA), Secretariat of the Pacific Regional Environment Programme (SPREP) and Pacific Islands Forum Secretariat (PIFS) assist in developing a coordinated regional approach for implementation of these policies, and provide support and technical assistance to PICs.

Regional organizations also provide assistance for the implementation of the following conventions and treaties in PICs, including:

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<sup>34</sup> ILO Convention 169 Concerning Indigenous and Tribal Peoples in Independent Countries; UN Declaration on the Rights of Indigenous People among others.

### Conventions and Treaties for Fisheries Management in the Pacific Region:

- Convention (LOSC) and Agreement (UNFSA) (1982) ○ Nauru Agreement Concerning Cooperation in the Management of Fisheries of Common Interest (1982) ○ USE Multi-Lateral Treaty (1988) ○ Wellington Convention (1989) ○ Niue Treaty (1993) ○ The FSM Arrangement for Regional Fisheries Access (1995)
- Palau Arrangement for the Management of the Purse Seine Fishery in the Western and Central Pacific (1995) ○ Western and Central Pacific Fisheries Convention (2004) ○ Vessel Day Scheme (2007)

The policy and legal provisions for the management of fisheries in PICs are being strengthened, particularly in regards to coastal fisheries. Two recent policy initiatives include:

- The Apia Policy (Pacific Islands Regional Coastal Fisheries Management Policy): the first regional mechanism to address coastal fisheries, acknowledging fishing communities involvement in management and advocacy of traditional systems that allocate fishing rights to a limited number of users and measures are enforced by communities themselves.
- The Melanesia Spearhead Groups Roadmap for Inshore Fisheries Management and Sustainable Development (2014-2023) provides the Pacific subregion of Melanesia with a management framework emphasizing the value of bottom-up and community-based resource management (CBRM) approaches.

At the national level, there is increasing recognition by governments that it is essential to empower fishing communities with greater management authority and access to targeted coastal fisheries, to both enhance incentives for stewardship and promote local efforts to enhance sustainability and benefits with support from research and conservation organizations.

### Phase One Countries

This section outlines the relevant fisheries and environmental protection and management legislation and policy instruments within participating Member States.

#### *Solomon Islands*

The Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM) in the Solomon Islands is responsible for national coastal resource and biodiversity planning and key legislation on natural resource management including the *Environmental Act 1998*, *Environmental Regulations 2008* and Environmental Impact Statement (EIS) guidelines. The EIS guidelines (2013) and associated Social Impact Assessment (SIA) guidelines (forthcoming) set out the process for the preparation of an EIS and require that an EIS be made publicly available and ensure public participation. In addition, MECDM have responsibility for the *Protected Areas Act 2010* which provides a legal framework for the ‘owner’ of an area to declare, register and manage this area as a protected area (if approved by the Director). This

process requires thorough consultation with traditional leaders, customary owners, communities, non-government organisations (NGOs) and other agencies to inform the development of a suitable management plan for the proposed area (Govan et al 2013).

The Ministry of Fisheries and Marine Resources (MFMR) Corporate Plan 2014-2018 and the Fisheries Section in the Solomon Islands National Development Strategy 2016 -2035 are guiding policies for the development of the Fisheries sector in the Solomon Islands. Key legislation includes the Fisheries Management Act 2015, Fisheries Management Regulations 2017 and Fisheries Management Regulations (Prohibited Activities 2018).

Under the *Provincial Government Act 1997* and *Fisheries Management Act 2015*, the Provincial Government has decentralized responsibilities for coastal fisheries management and is able to make specific laws or ‘ordinances’ for fisheries that are locally relevant (e.g. Western Province Fisheries Ordinance 2011, Choiseul Province Fisheries and Marine Environment Ordinance 1997, among others). Communities are also given the mandate to establish community management plans which will be endorsed by the Provincial and National Government.

Customary tenure and governance systems are recognised in various national legislative instruments including the *Land and Titles Act 1996*, *Customary Lands Records Act 1996* and the Constitution of the Solomon Islands. Article 75 of the Constitution provides that Parliament shall make provisions for the application of laws, including customary laws and customary rights over land and marine areas.

### *Federated States of Micronesia*

The FSM comprises the four states of Chuuk, Kosrae, Pohnpei and Yap. The National Oceanic Resource Management Authority (NORMA) is the government entity responsible for the sustainable management of marine resources. The NORMA functions as a government department with representatives from each state. The *Marine Resources Act 2002* (referred to as the ‘FSM Code’) is the principle fisheries management and development legislation and the national government manages tuna resources of the EEZ.

The development and management arrangements for coastal fisheries (out to 12 nautical miles) involve a combination of traditional, state and national responsibilities. The national government plays a coordinating role through the Department of Resources and Development (DRD); however, each State manages its own coastal fisheries and maintains its own State Codes, Fishery Zones and Fishing Authorities. States have management strategies from centrally administered open-access regimes to traditionally-controlled reef tenure systems (FAO 2002).

### *Republic of the Marshall Islands*

The RMI is comprised of 34 islands and 24 electoral districts. The *Nitijela* (the legislature) is comprised of representatives from each district who elect the President. The Council of 12 *Iroij* (traditional chiefs) is selected according to custom and may request reconsideration of any laws or laws affecting land tenure.

The *Marine Zones (Declaration) Act 1984* specifies a 12 nautical mile territorial sea and 200 nautical mile zone for RMI’s EEZ. Inshore fisheries are designated to be within 5 miles of the

shoreline. The *Marine Resources Act 1997* is the key legislative instrument controlling fishing by domestic and foreign vessels within the EEZ and was amended in 2011. The *National Environmental Protection Act 1984* is the key legislative instrument for environmental conservation in the Marshall Islands. The Environmental Impact Assessment Regulations 1994 may require many small projects under PROP to obtain a local permit. Fisheries regulations are: a) Marshall Islands Marine Resources Regulations 1988; b) Fishing License (Third Implementation Arrangement) Regulations of 2009; c) Sea Cucumber Regulations of 2012; and d) Aquarium Fishery Regulations of 2015

The Marshall Islands Marine Resource Authority (MIMRA) was established in 2007 with primary responsibility for the management and regulation of marine and fisheries resources, exploration, fishing licenses and conservation in RMI. MIMRA facilitate community-based resource management plans in outer islands through the *Reimaanlok* process and support from the Coastal Management Advisory Council (CMAC). Guiding documents on the *Reimaanlok* process have been developed and incorporate tools on community engagement for the management of community-based conservation areas (Reimaan National Planning Team 2008 and 2012).

### *Tuvalu*

Fisheries in Tuvalu are legislated by the *Marine Resources Act 2006*. The *Maritime Zones Act 2012* outlines the territorial sea and other key maritime zones, including the EEZ at 200 nautical miles. Section 8 of the *Marine Resources Act 2006* outlines the responsibilities of Fisheries Officers in Tuvalu regarding the development of fisheries management plans. Fisheries Officers are responsible for carrying out consultations and gaining approval on plans from the relevant Falekaupule (see paragraph below).

Falekaupule is a traditional institution comprising traditional leaders formed to handle traditional matters in Tuvalu. The Kaupule (Council) is the executing arm of the Falekaupule and have developed strategic plans that align to Kakeega II (the Tuvalu National Development Plan 20052015). Environmental protection is governed by the *Conservation Areas Act 1999* and *Environmental Protection Act 2008*.

Tuvalu's coastal fisheries are under the jurisdiction of the Kaupule on each of the nine islands, with support from the Fisheries Department of Tuvalu (TFD). The TFD aims to conduct resource and socio-economic assessments in selected islands, and then to provide ongoing support to each of the islands to develop and implement management plans that would be approved by the island councils.

The community on each island has formed a fishers' association, which operates under the umbrella of the national Tuvalu Fishermen's Association and has in most instances led the development of some form of management measures for approval by the Kaupule. The presence of sub-communities from all of Tuvalu's islands leads to reduced compliance of decisions made by the Funafuti Kaupule (Town Hall), which itself has limited capacity in fisheries management.

## Existing Guidelines

Key documents with the aim of supporting community-based marine resource and fisheries management exist throughout the region. Below is a brief summary of those which will be useful for PROP stakeholders:

- The SEM Pasifika Manual provides guidelines for coastal managers on socio-economic monitoring in PICs (Wongbusarakum and Pomeroy 2008).
- The Guidelines on Community-Based Ecosystems Approach to Fisheries Management (EAFM) for PICs compiled by SPC broadens the scope of community-based fisheries management to the ecosystem scale (SPC 2010).
- A Manual for the Collection of a Minimum Dataset was developed by SPC for the collection of suitable socio-economic data in relation to fisheries surveys (Kronen et al 2007).
- A guide for facilitators involved in community-based marine resource management in the Solomon Islands provides important lessons learned for community-based resource management (CBRM) activities (WorldFish 2013).
- A guide for facilitators involved in community-based conservation management in the Marshall Islands, known as *Reimaanlok*, outlines important steps for the implementation of conservation planning processes (Reimaan National Planning Team 2008 and 2012).

## IV. Project Components and Access Restrictions

### Component Activities of the PROP

The PROP directly contributes to enabling the participating PICs to capture greater economic benefits from sustainable management of the region's oceanic and coastal fisheries and the critical habitats that sustain them through four key components:

#### **Component 1: Sustainable Management of Oceanic Fisheries**

The objective is to help participating PICs strengthen the management of the region's purse seine and long-line tuna fisheries, through:

- (i) Strengthen the capacity of national and regional institutions to sustainably manage Pacific Island tuna fisheries; and
- (ii) Ensure an equitable distribution within PICs of the benefits of sustainably managed tuna fisheries.

#### **Component 2: Sustainable Management of Coastal Fisheries**

The objective is to support participating countries to sustainably manage defined coastal fisheries and the habitats that support them with a holistic approach of Community-Based Resource Management (CBRM) and Provincial Fisheries (FADs), focusing on those with the greatest potential, i.e., coastal fisheries such as bechê-de-mer (BDM) that (i) can

generate export earnings for the country, and/or (ii) support livelihoods, food security and dietary health, through:

- (i) Empower stakeholders to sustainably manage targeted coastal fisheries in participating countries.
- (ii) Link sustainable coastal fish products to regional markets.
- (iii) Marine pollution studies relating to the mandate of the Ministry

### **Component 3: Sustainable Financing of the Conservation of Critical Fishery Habitats**

The objective is to identify revenue streams to sustainably finance the conservation of critical habitats that underpin oceanic and coastal fisheries in the region, through:

- (i) Pacific Marine Conservation Development Financing Mechanisms to support the growing number of large-scale oceanic Marine Protected Areas (MPAs) in the region
- (ii) Establishment of a Regional Ocean Finance and Governance Program for Pacific Island Countries.

### **Component 4: Program Management, Monitoring and Evaluation**

The objective is to support project management activities, including: financial management, procurement, safeguards and monitoring and evaluation tasks associated with efficient project implementation through to closure. This component specifically finances the FFA Project Support Unit staffing complement and their operating costs necessary to execute the project effectively. Each Country and the FFA will be responsible for their own project implementation arrangements.

The PROP provides a ‘menu of options’ under these four components from which Member States develop programs and activities based on specific needs of fisheries management and environmental protection.



*Women selling produce sourced mangroves and estuaries at Honiara Central Market*

### **Possible Access Restrictions**

Access restrictions are management measures designed to maintain sustainable harvest rates within a specific geographic area that may be imposed by national governments and provincial level governments (as is the case in the Solomon Islands). These measures are typically enforced to deter illegal, unregulated and unreported fishing (IUU) activities, and avoid exploitation or overfishing of existing fish stocks and valuable export commodities (e.g. BDM), however, they are inherently challenging to implement given the nature of ‘open access’<sup>35</sup> resources. Although customary marine tenure restricts access to ‘outsiders’ in theory, it is not a sufficient management measure in itself. Lack of capacity and understanding of environmental process, loss of traditional knowledge, poor management and economic incentives that drive overharvesting are prevalent in customary areas and remain as key challenges for effective community-based management.

Table 1 (below) identifies proposed access restrictions (and applicable project components) and provides an indicative list of social impacts that could arise from PROP activities if not carefully planned for or mitigated against. Such impacts will need to be addressed to ensure safeguards compliance especially in cases where national legal provisions, policy and capacity is insufficient to protect fishers and marine resource users from adverse impacts, including economic displacement. It excludes the strengthening and enforcement of fisheries management laws by governments as these do not trigger safeguard policies.

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<sup>35</sup> Open access resource is distinguished from common-property resources whereby common-property resources may allow many users to share the resource subject to informal and formal restrictions (Tietenberg 2006).

## Social and Livelihood Impacts

Restricting access on an involuntary basis, whether the area is under open access rights or communally-owned, directly and indirectly impacts local communities. Impacts may include the loss of access to areas that support subsistence lifestyles, infringement upon customary tenure and the rights of Indigenous Peoples, the loss of access to places with cultural and spiritual value, economic displacement, and/or increased food insecurity. Restricting access to certain areas may also inhibit access to assets or result in a loss of fixed physical assets.

Although it can be difficult to determine the extent to which these restrictions result in adverse social impacts (i.e. the magnitude), it is almost certain they will affect fishers and fisheries stakeholders disproportionately. For instance, if Bechê-de-mer (BDM) harvesting is limited in the area, fishers involved in BDM harvesting, processing and selling would be affected but other types of fishers would not (e.g. finfishers). The gender dimension of fisheries management and marine resource value chain is also important to consider, as women partake in different fishing activities to men (e.g. gleaning, preparation) and are typically excluded from decisions that may impact upon their livelihood unless they have reasonable bargaining power (Kruijssen et al 2013; WorldFish 2013).

Where investments in fisheries development contribute to local/regional economic development, it is likely people participating in the informal economy will be drawn into formal employment. This dynamic tends to impact more heavily upon women who chose to enter formal employment, and leads to significant changes to existing social structures of the broader community, and in some cases, also exposes them to health risks.

**Table 1: Matrix of Access Restrictions and Potential Social Impacts**

<i>Project Activity</i>	<i>Component in the PROP</i>	<i>Potential restrictions</i>	<i>Social Impacts</i>
Improved market access and increase in economic value of marine resources (especially export commodities) including construction of coastal facilities and surveillance hubs	Component Two	Coastal land access	<ul style="list-style-type: none"> <li>- Stimulation of economic activities in rural area.</li> <li>- Overharvesting due to increased value of resources and easier access to markets.</li> <li>- Increased formal employment opportunities.</li> <li>- Change in social structures and exposure to poor lifestyle habits and health risks due to increased economic activity and formal employment (which affects women disproportionately).</li> <li>- Loss of fixed physical assets or access to assets.</li> </ul>



<p>Implementation of natural resource management plans (i.e. protected areas; coastal fisheries)</p>	<p>Component Two</p>	<p>Fisheries Management Plans<sup>^</sup></p>	<ul style="list-style-type: none"> <li>- Loss of access to key resources or assets that support subsistence livelihoods and local economy and livelihoods impacted disproportionately.</li> <li>- Customary systems of natural resource governance and land/coastal tenure of Indigenous societies adversely impacted.</li> <li>- Infringement upon rights of Indigenous Peoples.</li> <li>- Increased food insecurity.</li> </ul>
<p>Finance mechanisms for protected area networks and Ocean Finance Mechanisms</p>	<p>Component Three</p>	<p>Mangrove habitat conservation</p>	<ul style="list-style-type: none"> <li>- Stimulation of conservation activities in rural area.</li> <li>- Loss of access to key resources or assets that support subsistence livelihoods and local economy and livelihoods impacted disproportionately.</li> <li>- Social change and potential loss of social cohesion as a result of new revenue source (carbon credits) and subsequent economic development.</li> <li>- Loss of assets or access to assets.</li> </ul>

<sup>^</sup> In the Solomon Islands, Coastal Fisheries Management Plans will be developed at the Provincial Government and community level. In FSM, Coastal Fisheries Management Plans will be developed at the State Government level.

Even if the loss experienced during no-fishing/harvesting periods is likely to be offset by improved harvests and greater income over the long term (and supplemented by alternative species in the short/medium-term), the impact must be assessed on the premise that offsets cannot be guaranteed. As such, although PROP activities are likely to have an overwhelming positive benefit to communities through PICs, the consequences of the proposed restrictions can only be known after appropriate socioeconomic analysis and sufficient consultation with PAPs has been undertaken. For this reason, the participation of PAPs in determining livelihoods impacts and appropriate mitigation measures is essential. Section VI outlines the participatory planning process for the PROP.

### Voluntary Access Restrictions

Component Three activities may include technical assistance that leads to measures to restrict the use and harvesting of mangroves (through Ocean Finance mechanisms) and the finance mechanisms for Marine Protected Areas (MPAs). Although these measures have the potential to alter resource-based livelihoods, these are anticipated to be voluntary in nature and developed will the full cooperation with targeted communities.

Lastly, activities involving the development of small-scale coastal infrastructure to support fisheries activities and management (e.g. surveillance hubs) will be screened to ensure they do not involve involuntary land acquisition and physical displacement. Any fisheries-related development will either occur on existing or newly purchased state land, and will not involve compulsory acquisition or dealings with land under customary ownership. Should these activities

take place on land that is used or occupied by persons and potentially result in the loss of assets or access to assets, a separate safeguards instrument (i.e. Resettlement Policy Framework) will be triggered (Annex C in the ESMF). Further, in the event that a community and/or landholder voluntarily donates land for a project that has direct community benefit, and provided alternatives have been considered, the World Bank's Voluntary Land Donation Protocol must be followed (see Annex D in the ESMF).

## **V. Administrative and Implementing Arrangements**

### **National Level – Implementing Agency**

The Project Implementing Agency (IA) in each Member State is the department or ministry with the prime responsibility of national fisheries management. For PROP Phase One this includes:

- Fisheries Department (TFD) of the Ministry of Natural Resources (MNR) in Tuvalu;
- The Ministry of Fisheries and Marine Resources (MFMR) in the Solomon Islands;
- The Marine Resource Authority (MRA) in RMI; and
- The National Oceanic Resource Management Authority (NORMA) in FSM (for Components One and Four).
- The FFA (for FFA projects under component 4).

Each IA has nominated or recruited dedicated staff including a national PROP Coordinator to manage PROP activities, responsible for implementation at the national, provincial/state and local levels in partnership with other agencies, and NGOs. The IA is also responsible for safeguard compliance and shall also authorise the translation of this PF and its dissemination to PROP partners as required.

Overall, Implementing Agencies are responsible for:

- Completing formal agreements with relevant parties;
- Establishing procurement arrangements;
- Delivering training and capacity building to achieve safeguard compliance;
- Ensuring that PROP-supported fisheries management activities are aligned to safeguard policies through a screening process;
- Achieving environmental and social safeguard compliance;
- Providing technical assistance and relevant templates to Partner Agencies;
- Compiling reports and data from Partner Agencies;
- Maintaining a stakeholder register for fisheries stakeholders;
- Providing support for community consultation processes (unless otherwise stipulated);
- Financing mitigation and livelihood restoration measures;
- Oversee management of grievance resolution process (lodging/responding); and
- Documenting voluntary and co-management agreements (including land donations) that may occur for activities under Component Two and Three.

The IA has ultimate responsibility for ensuring compliance to World Bank safeguard policies through screening and review processes. IAs will screen proposed activities through criteria listed in Annex A of the ESMF (as shown in Figure 2) and prepare safeguard documentation. During project implementation, the IA will be responsible for ensuring the safeguards requirements are properly implemented.

The PROP Coordinator in each IA will be responsible for integrating key elements of the PF into Implementation Plans and monitoring arrangements to ensure that where safeguard policies are triggered the suitable instrument is in place.

**Figure 2 : Screening Stage**



## Partnership Arrangements

IAs are responsible for ensuring the appropriate formal agreements (e.g., MoU, contracts and/or services line agreements) are in place prior to the commencement of PROP activities and before community consultation takes place. Any documentation that is signed by project partners constitutes a legal document and should clarify roles and responsibilities for managing tasks and resources, as well as procedures for joint decision-making. Contracts and formal agreements should also outline the timeframe and budget required to deliver PROP activities.

During the project preparation stage, partnership arrangements for the implementation of activities will be to clarify the roles, responsibilities and expectations of:

- Implementing Agency (FFA, Ministry or Department);
- Project Support Unit (PSU);
- PROP Coordinators and/or Steering Committee/s;
- Project Managers;
- Partner Agencies (such as NGOs, Provincial Government, etc.); and
- Project Team (i.e. persons conducting community consultation and their supervisors).

IAs are responsible for delivering induction sessions and training to build capacity and competency on administrative and reporting procedures for their respective projects. This includes raising awareness regarding behaviour and communication protocols and grievance resolution procedures in place for interactions with project affected persons (PAPs) and community interface. The IA, with support from Partner Agencies (PAs), will have responsibility for the overall participatory process as outlined in Section VI. This may include assisting to establish Fisher Associations or Councils where these do not currently exist and where they will assist in project implementation and enhance stakeholder representation. Overall, these agencies will lead PROP activities in a way that strengthens national capacity in community consultations and community-based resource management (CBRM), and contributes to a better understanding of ecosystem services and public goods aspects of critical habitats.

## Partner Agencies

In most cases IAs will choose to engage external assistance for the implementation of activities at the subnational and local level. This is likely to involve contracting works through the PSU (or equivalent), NGOs, research institutes, community-based organisations (CBOs), or in partnership with Provincial/State Governments. The Partner Agency (or partners) could be utilised to support initial baseline studies and surveys, conduct community engagement and participatory activities, facilitate the formation of representative bodies, implement community development and livelihood programs, and/or assist in monitoring and evaluation (M&E) activities.

Each Partner Agency will be responsible for daily tasks of the work they are contracted for or have a written agreement about, compliance with grievance procedures and other administrative requirements set out by the Coordinating Agencies and the World Bank. PAs will typically be the Provincial Level Government and NGOs working with local communities and Fisher Association or Councils.

Partner Agencies are responsible for:

- Conducting consultation in a manner that aligns to the PF;
- Ensuring consultation is well-documented;
- Ensuring consultation activities and project activities are adequately resourced;
- Submitting budget acquittals and transparent financial reporting to enable the development of future programs based on accurate budgets;
- Timely reporting on contracted and subcontracted activities;
- Follow-up and feedback with stakeholders and communities; and
- Delivering training and capacity building for staff and communities.

Reporting procedures including detailed financial acquittals will be outlined by the IA in formal agreements and templates will be supplied to the Partner Agency for this purpose (especially in cases where procedures do not exist or reporting is considered to be weak/insufficient to meet project requirements).

## Representation and Information Dissemination

Adequate representation and defined communication channels are both crucial in order to enable a successful participatory process. Figure 3 indicates the levels at which it may be necessary to establish key liaison points so that local-level stakeholders are in regular communication with representative bodies/liason officers and vice versa. It will also be important for the representative bodies/liason officers to have access to relevant project representatives and decision-makers.

**Figure 3 : Project-Community Interactions**



The IAs are responsible for managing information dissemination, overseeing public consultation and assuring compliance to the guidelines and protocols set out by safeguard instruments on consultation. These agencies will ensure project team members are trained on relevant communication protocols and procedures regarding stakeholder engagement. Dedicated channels for information dissemination will be established by the IA to ensure regular, ongoing communication with stakeholders throughout the project cycle.

PROP will require the engagement of communities and other fisheries stakeholders at the national, provincial and local level. Consultation methods and activities will be defined in the Consultation Plan prior to implementation of subprojects by personnel responsible in the IA or Partner Agency for community interface and the delivery of public consultation and information dissemination at the local level. Consultation activities will enable meaningful consultation and align to the principle of free, prior, and informed consultation (FPIC) particularly in cases that require joint-decision making and a high degree of community participation (e.g. access restrictions).

Information will be presented in a format accessible to the target audience through culturally appropriate and relevant methods. Consultation sessions will include special outreach efforts tailored to the need of vulnerable groups such as women, youth, elderly and disabled persons so that the process is socially inclusive and a range of stakeholder views and perspectives are adequately represented. Consultation methods will be designed in consideration of the different sociocultural norms that inhibit participation and input into decision-making from vulnerable groups and persons. Each activity will be well-documented to ensure the views of stakeholders are captured and incorporated into project design, and/or addressed where necessary. In addition,

follow-up with communities on the outcome of consultation and participatory activities will be undertaken where it is due.

## VI. Enabling a Participatory Process

The PROP requires a participatory approach for activities that may result in the restriction of access to marine resources to ensure compliance with OP4.10 and OP4.12. This section provides guidance to the Coordinating and Implementing Agencies on a participatory planning process that will ensure that all project beneficiaries will be sufficiently consulted on proposed activities, meaningfully participate in project implementation and that any negative impacts are avoided or adequately mitigated. It outlines key information to inform the development of Marine Protected Area Management Plans, Coastal Fisheries Management Plans and any project-related Action Plans.

### Key Principles

A successful participatory process is founded upon consultation and engagement methods that follow the principles set out in Table 2.

**Table 2 Key Principles for Effective Participation**

(i)	All communities will be approached openly in an effort to collaborate and be made aware of the option to refuse to participate in the project.
(ii)	All project beneficiaries shall be engaged in a method that is culturally appropriate and based on free, prior, and informed consultation (FPIC <sup>36</sup> ) where Indigenous Peoples are present.
(iii)	Engagement preparation shall take into consideration issues of gender equity, illiteracy, disability, ethnicity and socially excluded groups to ensure that dialogue is inclusive, tailored to meet the needs of vulnerable persons and carried out in the appropriate language(s) and methods to ensure an adequate understanding of the activity is achieved.
(iv)	Communication will begin early in the project preparation stage, occur regularly throughout the project cycle in a consistent and transparent manner and allow for the timely disclosure of relevant information and comprehensive discussion of social and environmental impacts.
(v)	Consultation shall be well-documented, adequately resourced, capture stakeholder views to inform decision about the project (i.e. two-way communication) and allow adequate time for community decision-making.

A transparent and well-planned engagement process will contribute to building broad community support for the PROP and relevant activities, so long as stakeholder feel informed

<sup>36</sup> Free, Prior and Informed Consultation Principles are presented in ESMF, Annex B: Indigenous Peoples Planning Framework.

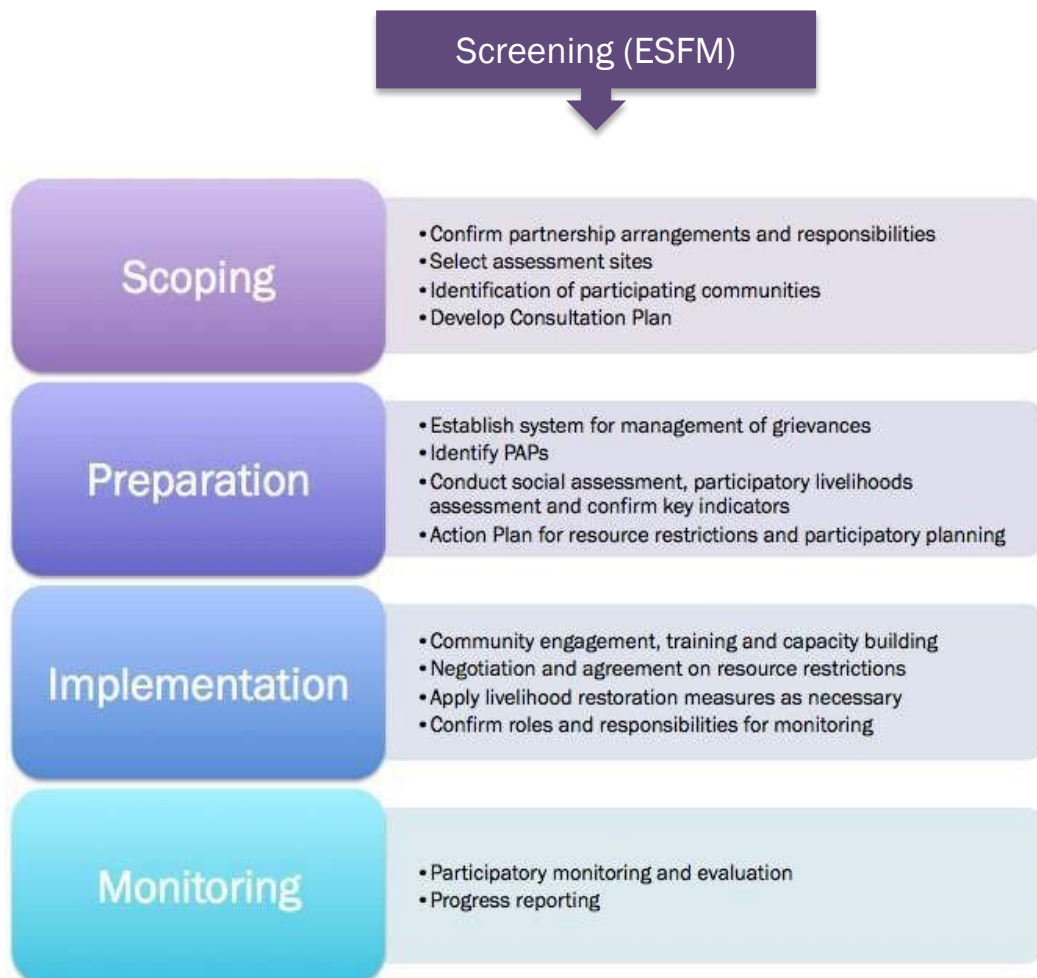
and their expectations are managed throughout the process. Misguided and unplanned engagement is likely to lead to miscommunication, mistrust, raised community expectations and/or disputes, which could result in the eventual termination of activities. In order to avoid this becoming a project risk, it is expected that the principles for effective participation set out in Table 2 (above) are followed, and that participatory activities are carried out by suitably qualified or experienced persons. Moreover, full representation is the foundation of an equitable participatory process.

Careful identification of stakeholders at the early stage of project planning will ensure the inclusion of different and diverse stakeholder groups (e.g. artisanal fishers, commercial fishers, conservation interests) and that their views are adequately captured and used to inform project design.

### Participation in Implementation Stages

Figure 4 outlines key project stages for enabling participation and identifies sequence of tasks relevant for community engagement in compliance with social safeguards policies that could arise under Component Two and Three activities.

**Figure 4 : Key Project Stages for Participation**



### Strategic Site Selection

During the scoping phase of project implementation in each country, targeted coastal fisheries will be identified by the Implementing Agency for inclusion in the PROP. Targeted areas will be selected strategically, based upon a demonstrable value for coastal fisheries and marine protection to ensure program objectives are met. This may require an initial ‘situational analysis’ of coastal fisheries and marine protected areas through a Frame Survey<sup>37</sup> or similar rapid analysis methodology, and include cost/benefit scenarios where possible.

### Identification of Participating Communities

Once strategic sites for Component 2 activities have been identified, a targeted Awareness Raising Campaign will commence to allow for interested communities to come forward. Local interest in implementing the program is a fundamental requirement and communities must not be coerced into participating in the program. For this reason, it is important that the awareness raising campaign clearly explains the proposed activities and associated responsibilities without

<sup>37</sup> A Frame Survey provides a comprehensive inventory of the fisheries sector through a census approach. Further information is available at: <http://www.fao.org/docrep/004/y2790e/y2790e09.htm>



raising stakeholder expectations about benefits. The campaign will utilise communication channels such as radio, social media, public notices, advertising, information sessions, existing networks (e.g. LMMA, NGOs) and widespread advocacy through partners and provincial level offices. It will also direct interested communities to relevant persons or organisations (e.g. NGOs) for further information and to start a formal engagement process.

The targeted sites will be selected based on the following criteria:

- The fisheries are well-defined (i.e., within a distinct geographic boundary, for a particular species or group of species, or for a stock);
- Each site must have the potential to accrue positive economic benefits to stakeholders through improved fisheries management;
- Each site must not encompass more than four small to moderate-sized communities, which must be neighbouring communities (i.e. ‘clusters’);
- Strong local leadership, be socially cohesive<sup>38</sup>, and ideally have a stakeholder group or association formed that could be recognized with authority to formulate management measures on behalf of stakeholders (or capacity to formulate a representative group);
- Strong interest in improving management regimes; and
- Strong local commitment and formal confirmation that fishers in the targeted fishery are fully committed to participate in the project (i.e. signed agreements).

Areas or communities with a history of inter- and intra-community conflict over resources are unlikely to be good candidates for early inclusion in the PROP but may be considered for later stages of the program.

## Consultation Plan

It will be necessary to develop a national-level Consultation Plan that outlines consultation activities and engagement methods for the proposed activities. This will be particularly relevant where ‘clusters’ of villages have been selected to participate. The Consultation Plan will be developed by the IA as part of project design phase and later incorporated into project Implementation Plans.

The Consultation Plan shall identify stakeholder groups, as well as methods and timeframes for engagement that align to the principles set out in Table 2 above (a template is provided in Appendix 1). The Consultation Plan should also specify communication methods and responsibilities for engaging with communities, grievance procedures, as well as protocols for establishing FPIC consultation with Indigenous Peoples as appropriate (ESMF Annex B Indigenous Peoples Planning Framework provides a flowchart). Engagement methods need to target the inclusion of vulnerable groups in communities (e.g. women, youth, elderly, disabled) with consideration of the inherent difficulties and different socio-cultural norms that restrict their input into decision-making.

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<sup>38</sup> Social cohesion refers to a community which is not deeply divided by factions within the community, where trust amongst members exists and cooperation is relatively easy to establish.

Dialogue with implementing partners is required to determine the appropriate roles and reporting arrangements for consultation and engagement activities, such as who will prepare and conduct engagement sessions and document engagement activities and collect stakeholder feedback. The project may require the nomination of a ‘liaison officer’ within the village cluster and at the Ward level or Provincial Government level, whichever is most suitable for the local context.

## Identifying Project Affected Persons

Project affected persons (PAPs) are those who depend on access to resources to maintain their stand of living and who may or may not have formal legal rights or claims to the resources in question<sup>39</sup>. The participation of those who may lose access to particular resources or assets (i.e., the directly affected persons) and are subsequently adversely impacted upon is integral to the PROP design and its implementation, therefore accurate and early identification of PAPs and screening for Indigenous People is essential.

Although PAPs are generally associated with a specified geographic area or targeted site, the extent to which persons could be impacted will vary depending on the fishing activities they are typically engaged in. The stakeholder mapping exercise conducted as part of the Consultation Plan should consider relevant stakeholders across the value chain, i.e. artisanal fishers, processors, mongers/sellers. The stakeholder mapping exercise may occur in tandem with the initial social assessment (below), the focus of which will be to determine the legitimacy of a person’s resource use and dependency, and in turn, their right to participate in the project.

It is recommended that a community information session be held to discuss or disclose information on the following:

- Consider group representation and accountability for the subproject (e.g. utilise existing groups, nomination, establish a new steering committee or Fishery Association);
- Responsibilities of nominated ‘liaison officers’ and their duty to represented PAPs in an unbiased manner; and
- Role of the village court, ward councilor, Provincial Government (or equivalent).

A confidential stakeholder register should be compiled to record persons that have been (i) involved in community consultations and (ii) are identified as a PAP, and is maintained by the IA and project team.

## Social Assessment

Prior to implementation of activities in Component 2 and 3, a sound understanding of the existing environment and sociocultural context should be developed through conducting biological and socio-economic (census) baseline assessments as part of the Action Plan. The purpose is to establish primary data<sup>40</sup> from which impacts can be measured and improvements

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<sup>39</sup> See Paragraph 15 of OP4.12 (Annex 1).

<sup>40</sup> Wongbusarakum and Pomeroy 2008, Kronen et al. 2007, and Bunce et al. 2000 provide useful manuals on the collection of socioeconomic data in relation to fisheries.

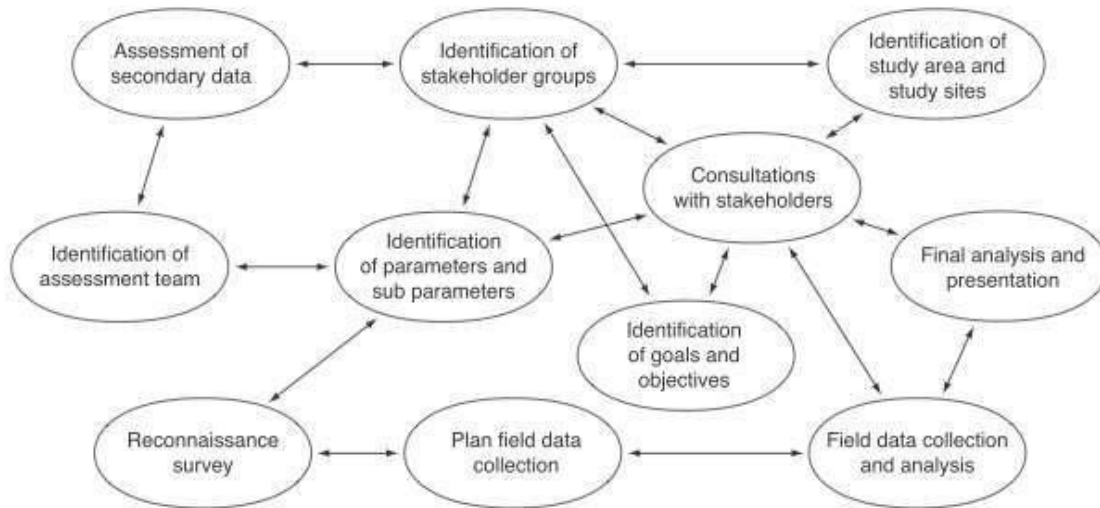
can be monitored (i.e., surveys design incorporates key socioeconomic indicators used for social analysis and M&E purposes). These assessments can be disruptive as they require extensive engagement with participating communities, hence require the lead-in time necessary should not be underestimated. It is recommended that communities are notified at least two to four weeks prior to the commencement of survey activities and adequately briefed on the upcoming activities to build understanding about what is required of them.

The assessment should provide more detail of the local context, specifically:

- Sociocultural aspects of the community or cluster of communities;
- Local economy and subsistence activities;
- Level of dependency on marine and coastal resources and current threats;
- Local governance structures including decision-making on natural resources;
- Customary tenure, boundaries, access rights and authoritative powers;
- Sites and/or resources that may hold cultural/spiritual significance for Indigenous Peoples; and
- Territories and/or resources under dispute.

The level of detail required for the social assessment depends on selected activities and the extent to which they are likely to cause adverse social impacts (Figure 5). If PROP activities are limited and/or unlikely to have adverse social impacts, it is possible for the assessment to be based on the IAs own experience and secondary sources. It may be included as part of the environmental and social impact assessment (ESIA) for the project and should consider requirements for compliance with OP4.10.

**Figure 5: Elements of the Social Assessment**



(Bunce et al. 2000).

It is essential to educate participating households and communities about the purpose of these assessments; and be transparent about how the information may be used, i.e., who ‘owns’ the data and where is it kept. Where Indigenous populations are involved, assessments must respect the confidential nature of indigenous knowledge<sup>41</sup> and use discretion where this knowledge has been shared (see Annex B Indigenous People Planning Framework for further guidance).

Further engagement sessions are required to discuss:

- Grievance resolution procedures in place for the project (Section VII);
- Options for those who wish to voluntarily opt out of participating in the program altogether (and will be subsequently excluded from future events and activities);
- Future stages of the project including participatory activities; and
- Clarify roles and responsibilities moving forward.

Each stakeholder engagement session should be comprehensively documented, specific decisions that have been made and included in progress reports throughout the course of consultation.

<sup>41</sup> Indigenous People have a right to protect their intellectual property and intangible cultural heritage (i.e. traditional knowledge, customary law, including the right to control access and recording of such information). Guidelines for handling traditional knowledge has been developed for RMI (see Reimaanlok 2008).

## Participatory Livelihoods Assessment

Once baseline assessments have been completed and a general understanding about the area has been established, Partner Agencies will facilitate open dialogue with participating communities about options for access restrictions and collect their feedback on anticipated livelihood impacts. This may occur in association with a suitable CBO such as a Fisher’s Association or Village Committee where broad and unbiased representation can be guaranteed. The dialogue may take the form of a large community meeting, focus group discussions or series of targeted sessions to discuss a range of options and alternatives for access restrictions with PAPs in a transparent manner.

The aim of this assessment is to ascertain, with the participation of PAPs, the extent of economic displacement that may be attributed to PROP activities, how particular segments of the community may be affected differently and how adverse livelihood impacts can be avoided or restored. The assessment should provide an indication of the economic value related to proposed access restrictions, and therefore, an estimate of costs worn by PAPs so the value of specific livelihood activities is captured. This may be considered as their ‘contribution’ to the project. In addition, it should be identified whether management plans or marine resource use planning adversely affects the customary rights of Indigenous People.

Through this exercise, it is important that the advantages and disadvantages of each option are presented in a format accessible to the target audience and discussed with various groups (e.g. women’s groups, village leaders). For instance, special outreach efforts to include specific segments of the community (e.g. youth, women, disabled, elderly) are critical and for this reason methods should be detailed in the Consultation Plan for proposed activities. It is imperative that the process allows for the most directly affected and disadvantaged groups to be heard as inequitable participation is a key project risk and safeguard compliance issue. This will enable communities to make well-informed choices about the nature of restrictions and subsequent livelihood impacts before any decisions are made.

The findings of this assessment will inform agreements put in place with communities and PAPs regarding mitigation procedures.

### Eligibility Criteria

The restriction of access to marine resources, whether the restrictions are temporary, permanent, or long-term but not permanent, could adversely impact upon persons using these resources for commercial, subsistence and customary purposes. The extent to which persons using marine resources are impacted will vary based on their level of dependency for such resources (which should be determined during socioeconomic surveys). As such, the level of dependency is likely to influence the eligibility of PAPs for certain compensation measures. Therefore, the eligibility criteria to determine which mitigation measures are most appropriate will be based on the following:

- (i) Partial loss of livelihood;
- (ii) Complete loss of livelihood;

- (iii) Increased vulnerability, particularly for marginalized groups or persons.

In order to assess which mitigation measures will be suitable, it will be necessary to discuss these options with PAPs and communities. For instance, PAPs will need to be determined if the categorization of individuals is necessary, or a community-wide approach is preferred. Criteria may be expanded to define persons whom are ineligible for the livelihood restoration program (LRP) or similar, such as persons using illegal or destructive fishing methods (e.g. dynamite, cyanide) or non-residents or immigrants whom do not have customary or access rights.

Artisanal fishers and communities may have multiple sources of income from different sectors such as agriculture or tourism. Where this is the case, the LRP should focus only on the restoration of lost income from fisheries-related activities or those linked to PROP activities. Importantly, the LRP has a defined scope and is not designed to be a large-scale community development program (CDP). Although CDPs are likely to be developed as part of PROP Component Two (Coastal Fisheries), the scope and applicability will be different to LRPs as they are not designed to ‘offset’ livelihood impacts.

Table 3 illustrates how a decision-making matrix could be developed in cooperation with PAPs for the purpose of a LRP. A brief explanation can be included in each category, and include analysis of how men and women, and youth and adults may be impacted in different ways.

**Table 3: Decision-making matrix example**

	Partial loss	Complete loss	Increased vulnerability
Gleaners			
BDM traders	7 men; 3 women		
Finfishers		20 persons	
Fishmongers		2 youth	1 man; 3 women
<add relevant livelihood category>			

Note: The information in this table is for illustrative purposes only.

## Mitigation Measures and Livelihood Restoration

The aim of enabling a participatory process is to avoid and mitigate any adverse social impacts where access restrictions may apply. The pre-mitigation of adverse social and livelihood impacts will only be successful in cases where effective consultation and stakeholder engagement has been undertaken. During this process, specific livelihood mitigation measures will be developed with the full participation of PAPs and communities by suitable Partner Agencies (i.e. NGO, CBO). So that participating communities are not penalized for their willingness to improve local fisheries and environmental management and their participation in the project, any loss that may occur as a result of restricted access will be offset by provisions detailed in a LRP.

The objective of a LRP is to improve or restore PAP livelihoods to pre-displacement levels while maintaining the sustainability of the park or protected area. The LRP will be based upon decisions made by PAPs and formal agreements with the IA. Partner Agencies will assist in the set up and administration of LRPs.

It is important to consider a comprehensive range of issues that may cause adverse social impacts once the specific activities are further defined. For example:

- Who will benefit directly from the activities and whether this will be controlled by dominant persons in the community;
- The location of important sites with significant resource and cultural values, such as sacred/tabu sites, key water sources and fish stocks, for consideration in project design;
- Sensitivity of a communities belief system and the linkages between the local environment and natural resources and cultural identity;
- Loss of assets or access to assets;
- Elements of the project that may infringe upon customary rights;
- Elements of the project that may disrupt social cohesion;
- Elements of the project that may cause gender inequity issues;
- Time commitments required to participate in activities which may take away from important subsistence tasks;
- Heightened risk of conflict arising in adjacent communities resulting from exclusion from project activities; and
- Perceptions of favouritism between communities leading to conflict.

This list is not exhaustive and may need to be further refined with assistance from suitably qualified social scientists.

Mitigation measures in response to identified social impacts were outlined in Table 1 (Section IV) and are presented again in Table 4 alongside a list of key considerations for the development of mitigation measures or LRP in collaboration with communities.

**Table 4 Proposed Mitigation Measures and Key Considerations**

Standard Mitigation Measure	Considerations
Partnership approach with communities to establish co-management strategy/regime to determine best approach to avoid adverse impacts to customary rights	Quality of FPIC consultation undertaken with communities
	Full representation of various stakeholders in consultation with consideration for gender equity
Strengthen Community-Based Management (CBM) systems and LMMA approaches	Use of appropriate technology
Support, equipment and training provided to participating communities for natural resource management and MCS activities	Suitability of equipment and ongoing training requirements
	Use of appropriate technology
Nominate community liaison officers or communication focal point as required	Recruiting suitable persons that do not have any conflicts of interest
Strengthen monitoring, control and surveillance (MCS) activities	Use of appropriate technology
	Cultural considerations and intercommunity disputes regarding controlled access
Livelihoods Restoration Program (LRP)	Livelihood restoration options that are appropriate to the local context and environmental setting
	Long-term development strategy phasing in key components
	Integration of different technical approaches

### Participatory Monitoring Arrangements

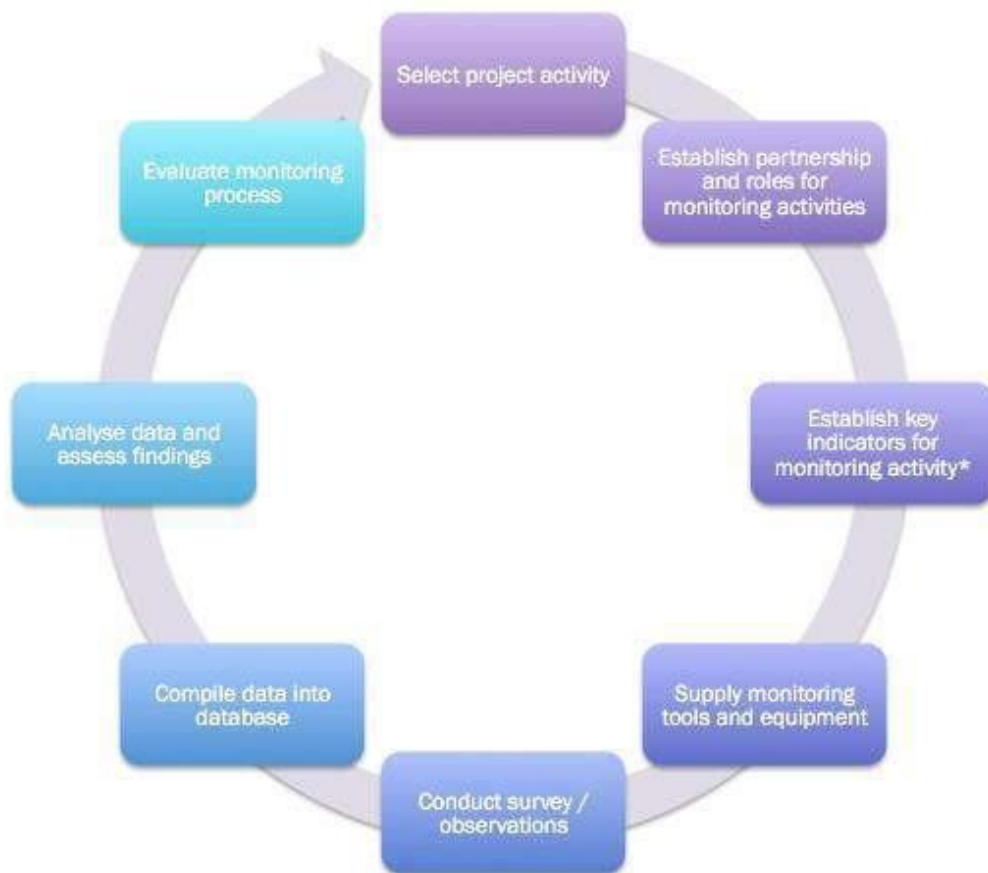
Monitoring is the systematic gathering and analysis of data to gauge if something is changing and inform decision-making. Participatory monitoring is a mechanism that drives learning, adaptation and improvement, which are essential elements of sustainable environmental management. This typically involves collaboration between scientists, government and local communities in an iterative process focused on a specific geographic area, habitat or species. Figure 6 outlines stages in the participatory monitoring process.

Participatory monitoring has distinct benefits: integrating local knowledge into scientific monitoring; building social capital; empowering local people to understand and manage their resources; strengthening local institutions and CBOs; and facilitating decision-making around



resource use and management measures. However, it also has its limitations. M&E requires the establishment of baseline indicators (socioeconomic and biological) with periodic assessment of conditions to assess change. Community participation will be required for (i) monitoring environmental baseline data and (ii) monitoring livelihood restoration programs, once formal agreements are in place. PAPs and communities will require financial and technical assistance from Partner Agencies to set up a monitoring program that includes training on specific techniques (e.g. transects, catch amounts) for monitor environmental health and fish stocks, as well as appropriate technology and equipment to support these activities. Partner Agencies, or those administering the LRP, will be responsible for regular follow-up with PAPs regarding effectiveness of the LRP once activities are underway.

**Figure 6: Participatory Monitoring Process**



\* Key indicators will be generated from initial assessments. Monitoring training will be offered to communities at this stage of the process.

## VII. Grievance Redress Mechanism

Throughout PROP implementation, it is imperative that the rights of PAPs and project beneficiaries are protected. For this reason, a formal grievance redress mechanism (GRM) has been established for PROP projects. The GRM presented in this section outlines a process for resolving community-level grievances that may be raised by PAPs or community members regarding specific project activities, the engagement processes, and/or unanticipated social impacts resulting from PROP activities. The GRM does not deal with grievances relating to internal communication or disputes between the project team, Collaborating Agency, IAs and Partner Agencies; nor intra/inter-community conflicts that are not project-related.

### Procedures for Resolving Community-level Grievances

The grievance process is based upon the premise that it imposes no cost to those raising the grievances (i.e., Complainants); that concerns arising from project implementation are adequately addressed in a timely manner; and that participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.

To manage this process effectively, a ‘focal point’ for grievance management will be identified in each Implementing Agency (either the Project Manager or the Safeguards Advisor). For protracted or difficult grievances a committee should be formed to hear the complaint and provide a resolution. This may be an individual such as the PROP Coordinator (or alternatively a committee comprised of members from the IA and PA where membership to the committee should not comprise any persons with a conflict of interest, and include at least one female representative where available).

The PROP Coordinator (and/or Committee) is responsible for managing grievances related to the PROP including a grievance logbook or database to track the progress of formal grievances. Training on the GRM will be provided to relevant project teams and partners during project induction. Specific details on grievance resolution arrangements (i.e. specific persons and contact details) may be included in a Consultation Plan and/or Project Operations Manual (POM)\_developed for the project.

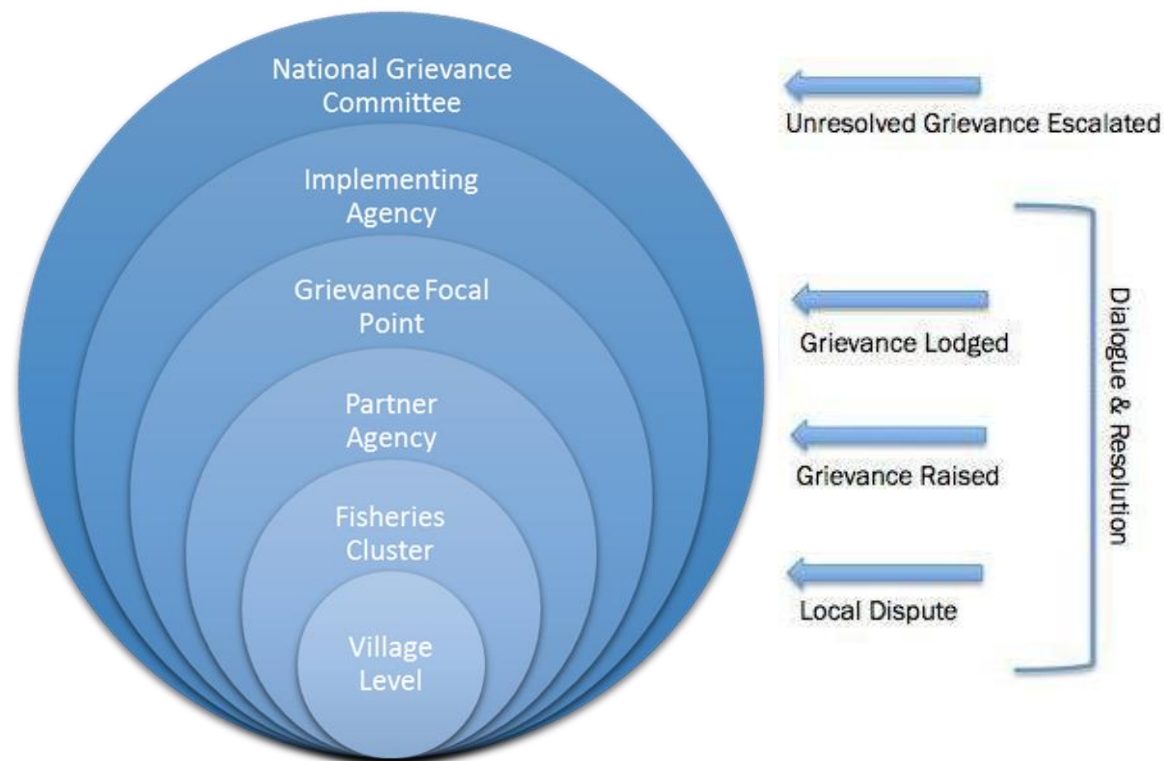
PAPs should be advised of the GRM in the early stages of engagement, and be made aware of:

- How they can access the GRM;
- Who to speak to and lodge a formal complaint;
- The timeframes for each stage of the process;
- The GRM being confidential, responsive and transparent; and
- Alternative avenues where conflicts of interest exist.

The GRM in the POM will acknowledge the need for both informal (i.e. customary) and formal grievance mechanisms and outline grievance procedures to be followed by the Collaborating Agency, IAs and Partner Agencies for PROP. Generally, complaints and disputes will be resolved at the lowest possible level. Grievances may be firstly referred to customary conflict

mediation arrangements where appropriate (i.e. community disagreement about management measures) and so long as they are not directly affiliated with traditional leaders who are party. If the issue cannot be resolved at this level, it will be raised to the next (and so on). Each grievance should be treated in a confidential manner. The responsible agencies involved in grievance management are illustrated in Figure 7.

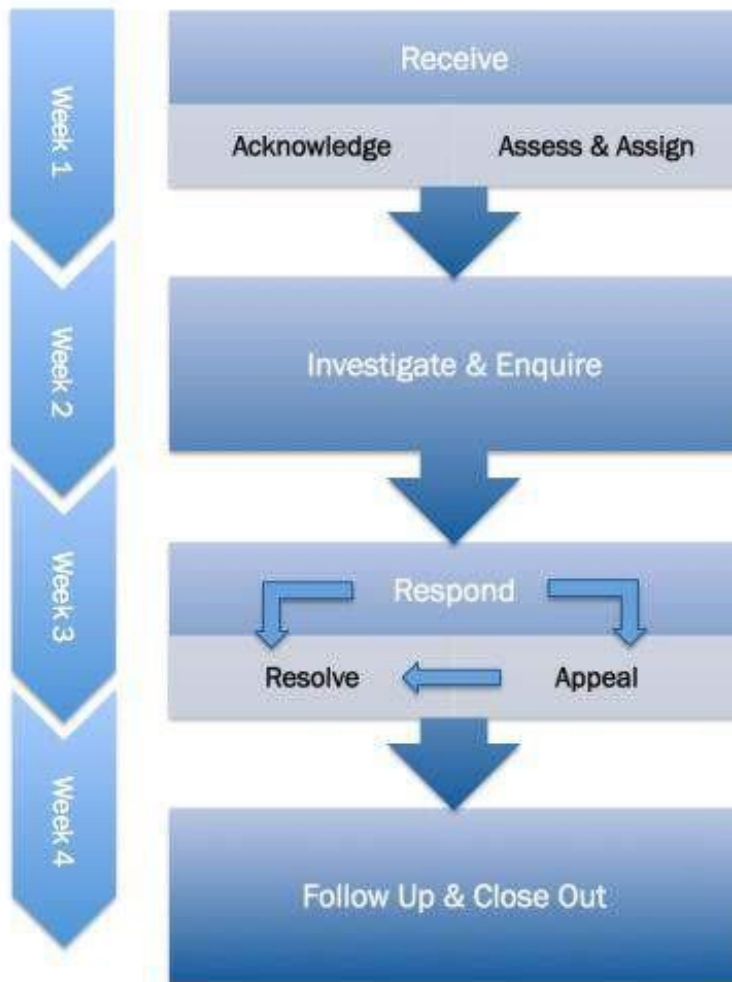
**Figure 7: Levels of Responsibility for Grievance Management**



The grievance resolution process includes four key stages – Receive; Investigate/Enquire; Respond and Follow up/Close Out as illustrated in Figure 8. Relevant personnel (i.e. project field teams, Community Liaison Officers and Partner Agencies) will be required to accept formal grievances and ensure the mechanism for doing so is accessible to the people most likely to need it (i.e. PAPs). The formal grievance should be documented in written form (i.e. grievance form and logbook), assessed on its level of urgency/severity and assigned to the appropriate person (i.e. PROP Coordinator, Grievance Committee) who then acknowledges, to the Complainant, that the grievance has been received and is under review within seven days. Grievance Resolution Template is included in Appendix 2 for this purpose<sup>42</sup>.

**Figure 8: Stages in the Grievance Resolution Process**

<sup>42</sup> In cases where a Resettlement Policy Framework (RPF) is triggered, it may be necessary to expand on the GRM outlined in this section (refer to RPF).



If the issue is easily resolvable, the responsible party takes action to address the issue directly and record the details for filing into the Grievance database. If the grievance is a more complex project-related issue, it will be investigated further, and then formally responded to within a two to three week timeframe or a timeframe that has been agreed to with the Complainant. If additional time is needed, the Complainant will be advised of this.

Generally, grievances should be resolved within 30 days. The response should communicate findings of the investigation and resolution, and seek approval from the Complainant. The Complainant will either accept or appeal the outcome. If the Complainant is satisfied with the outcome then the grievance is closed out and they provide their signature (or fingerprint) on the grievance form as confirmation. If an agreement is unable to be reached between the Complainant and IA, the grievance will be escalated to the national Grievance Committee<sup>43</sup> for review and a final decision. If necessary, further action will be taken to resolve the issue. The

<sup>43</sup> Set up by the IA, or already set up under another World Bank-funded project in-country.

national courts are the last avenue for addressing grievances, and that claimants should not bear any costs in this regard.

A grievance is closed out when no further action can be or needs to be taken. Closure status will be entered into the Grievance database as follows:

- *Resolved* – resolution has been agreed and implemented and signed documentation is evidence of this.
- *Unresolved* – it has not been possible to reach an agreed resolution and the case has been authorised for close out by the Grievance Committee.
- *Abandoned* – cases where the attempts to contact the Complainant have not been successful for two months following receipt of formal grievance.

Appendix 2 provides templates for lodging grievances.

## VIII. Budget Considerations

### **Budget for Participatory Activities**

This PF emphasises the importance of successful community engagement and participation to achieve project objectives. Each national budget will therefore include two major components:

- (i) activities and resources to support ongoing participatory processes; and
- (ii) implementation of management measures and plans (e.g. coastal fisheries management plans).

Since many of the initial consultation and engagement activities will be piloted or trialed, the operationalization of projects should be adequately documented to inform subsequent activities on the actual costs and realistic timeframes required to undertake such activities, as well as lessons learned. A planning tool for projects is provided in Appendix 1.

The budget for each national program will be distributed by the IA. Table 5 outlines the budget considerations for IA and contracted Partner Agencies when undertaking consultative and engagement activities.

**Table 5: Indicative Budget Items for Participatory Process**

Category	Item
Project Management and Administration	<ul style="list-style-type: none"> <li>• Project inception, planning and development</li> <li>• Induction and training of project team</li> <li>• Capacity building</li> <li>• Program monitoring</li> <li>• Report compilation and project evaluation</li> <li>• Administering grievance procedures</li> <li>• Administering CBRM activities</li> <li>• Logistics, planning and resourcing</li> <li>• Stakeholder engagement materials</li> </ul>
Social Assessment	<ul style="list-style-type: none"> <li>• Census and socioeconomic survey of PAPs</li> <li>• Training, transport and logistics</li> <li>• Information dissemination</li> <li>• Technical assistance</li> </ul>
Income/Livelihood Program (PAPs)	<ul style="list-style-type: none"> <li>• Cost of census and socioeconomic survey</li> <li>• Valuation and inventory of assets and resources (seasonal)</li> <li>• Cost estimate for income restoration</li> <li>• Cost estimate for communication development programs</li> <li>• Cost for relocation of assets, etc.</li> <li>• Subsistence replacement (transition)</li> </ul>
Ongoing Consultation and Engagement	<ul style="list-style-type: none"> <li>• Communication costs (phone, internet)</li> <li>• Community Liaison Officers wages</li> </ul>
	<ul style="list-style-type: none"> <li>• Capacity building</li> <li>• Reporting, monitoring and evaluation</li> <li>• Administering grievance procedures</li> <li>• Logistics, planning and resourcing</li> <li>• Stakeholder engagement materials</li> </ul>
Monitoring	<ul style="list-style-type: none"> <li>• Monitoring training</li> <li>• Equipment</li> <li>• Recording forms and database</li> <li>• Follow up socioeconomic surveys on baseline data (3yr; 6yr intervals)</li> </ul>
Contingency	10%

## Glossary

**Complainant:** Person that has lodged a formal grievance.

**Displaced Persons:** persons who are affected in any of the ways described in paragraph 3 of OP4.12, i.e. all those people who lose land or the right to use land (para. 3a) or who lose “access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods” (para. 3b). The term is synonymous with “project-affected persons” and is not limited to those subjected to physical displacement.

**Informed consent:** people involved (i.e. PAPs) are fully knowledgeable about the project and its implications and consequences and freely agree to participate in the project.

**Indigenous Person/Peoples:** individuals and groups with the following characteristics:

- (i) Self-identification as members of a distinct indigenous cultural group and recognition of this identify by others;
- (ii) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources therein;
- (iii) Customary cultural, economic and social or political institutions that are separate from those of the dominant society and culture; and
- (iv) An indigenous language often different from the official language of a country or region.

**Involuntary:** actions that may be taken without the displaced person’s informed consent or power of choice. It excludes those which are community-driven with broad community support and therefore ‘voluntary’ in nature.

**Meaningful consultation:** A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

**Resettlement:** covers all direct economic and social losses resulting from land taking and restriction of access, together with the consequent compensatory and remedial measures. Resettlement is not restricted to its usual meaning - physical relocation. Resettlement can, depending on the case, include (a) acquisition of land and physical structures on the land, including businesses; (b) physical relocation; and (c) economic rehabilitation of displaced persons (DPs), to improve (or at least restore) incomes and living standards.

**Power of choice:** people that may be affected by project-related changes have the option to agree or disagree with the land acquisition or involuntary measures without adverse consequences imposed formally or informally by the state.

**Project affected person:** people affected by project-related changes in the use of land, water and other natural resources. Also see ‘displaced persons’.

**Vulnerable groups or persons:** Distinct groups of people who might suffer disproportionately from project effects (including resettlement), such as women, youth, disable and ethnic minorities.

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## **Acts and Subordinate Legislation**

*Environmental Act 1998*, Solomon Islands

*Environmental Regulations 2008*, Solomon Islands

*Protected Areas Act 2010*, Solomon Islands

*Protected Areas Regulations 2008*, Solomon Islands

*Fisheries Management Act 2015*, Solomon Islands

*Fisheries Management Regulations 2017*, Solomon Islands

*Fisheries Management Regulations (Prohibited Activities 2018)*, Solomon Islands

*Provincial Government Act 1997*, Solomon Islands

*Land and Titles Act 1996*, Solomon Islands

*Customary Lands Record Act 1996*, Solomon Islands

*Marine Resources Act 2002*, Federated States of Micronesia

*Marine Resources Act 1997*, Republic of the Marshall Islands

*Marine Zones (Declaration) Act 1984*, Republic of the Marshall Islands

*National Environmental Protection Act 1984*, Republic of the Marshall Islands

*Marshall Islands Marine Resources Regulations 1988; Republic of the Marshall Islands*

*Fishing License (Third Implementation Arrangement) Regulations of 2009, Republic of the Marshall Islands*

*Sea Cucumber Regulations of 2012*, Republic of the Marshall Islands

*Aquarium Fishery Regulations of 2015, Republic of the Marshall Islands*

*Marine Resources Act 2006*, Tuvalu

*Maritime Zones Act 2012*, Tuvalu

*Conservation Areas Act 1999*, Tuvalu

*Environmental Protection Act 2008*, Tuvalu

## Appendix 1 Consultation Plan

### Consultation Plan Template

Title or Topic	<i>Subproject / matter being consulted on</i>
Consultation Lead	<i>Name of person managing the consultation</i>
Organisation	<i>Name of organisation the Consultation Lead represents</i>
Partners / Team	<i>Detail of partnership arrangements and team members assisting with consultation</i>
Project Overview	<i>Overview of the subproject for which the consultation is taking place (including reference code)</i>
Location(s) and date(s)	<i>Location for consultation activities (for each stakeholder group).</i>
Purpose/objectives/ scope	<p><input type="checkbox"/> <i>Why is the consultation being undertaken? e.g. To establish a participatory process for marine and coastal management.</i></p> <p><input type="checkbox"/> <i>What is the policy, plan or strategy you are consulting on/about?</i></p> <p><input type="checkbox"/> <i>What matters need to be decided?</i></p> <p><input type="checkbox"/> <i>Is there an expected / preferred outcome of this consultation?</i></p> <p><i>Decide on the level of engagement required:</i></p> <p><input type="checkbox"/> <b>Inform</b> <i>(provide stakeholders with objective information that informs their feedback)</i></p> <p><input type="checkbox"/> <b>Consult</b> <i>(obtain public feedback, alternatives etc.)</i></p> <p><input type="checkbox"/> <b>Engage</b> <i>(work directly with stakeholders to ensure public &amp; private concerns are understood)</i></p> <p><input type="checkbox"/> <b>Participation</b> <i>(involve stakeholders in each aspect of the issue, including developing alternatives, decision-making etc.)</i></p>
Background	<p><input type="checkbox"/> <i>Does information already exist on the matter?</i></p> <p><input type="checkbox"/> <i>Are there any background issues that need to be monitored?</i></p> <p><input type="checkbox"/> <i>Is it part of a larger project or process?</i></p> <p><input type="checkbox"/> <i>What is the current situation? What sensitive or cultural issues should be considered? Are Indigenous Persons present?</i></p>
Relevant Statutory provision	<p><i>Describe the specific issue that is governed by the Fisheries Act or Regulations.</i></p> <p><input type="checkbox"/> <i>Are there any non-statutory needs or requirements that also apply to this consultation?</i></p>
Budget Allocation	<i>Outline budget allocation across key tasks or components</i>

<p>Stakeholder groups</p>	<p><i>Identification of stakeholders at (local, district, state/provincial, national levels -</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Commercial</li> <li><input type="checkbox"/> Tourism interests (recreational fishing)</li> <li><input type="checkbox"/> Aquaculture</li> <li><input type="checkbox"/> Fisher Associations</li> </ul>
	<ul style="list-style-type: none"> <li><input type="checkbox"/> Women’s Association</li> <li><input type="checkbox"/> Gleaners</li> <li><input type="checkbox"/> Artisanal fishers</li> <li><input type="checkbox"/> Fishmongers / processors</li> <li><input type="checkbox"/> Indigenous communities</li> <li><input type="checkbox"/> Conservation interests</li> <li><input type="checkbox"/> Other group/s (please specify):</li> </ul>
<p>Methods</p>	<p><i>What kind of consultation is most suited to the issue?</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <i>Introductory Letter</i></li> <li><input type="checkbox"/> <i>Information sessions</i></li> <li><input type="checkbox"/> <i>Awareness campaign</i></li> <li><input type="checkbox"/> <i>Radio program</i></li> <li><input type="checkbox"/> <i>Social media and websites</i></li> <li><input type="checkbox"/> <i>Public forums and meetings</i></li> <li><input type="checkbox"/> <i>Workshops</i></li> <li><input type="checkbox"/> <i>Advisory committees</i></li> <li><input type="checkbox"/> <i>Surveys</i></li> <li><input type="checkbox"/> <i>Discussion groups</i> <input type="checkbox"/> <i>Others?</i></li> </ul> <p><i>Will the engagement technique suit the capacity and language needs of the stakeholders involved?</i></p>
<p>Information dissemination</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> <i>What information is being provided to stakeholders to inform their input/feedback?</i></li> <li><input type="checkbox"/> <i>Does the information articulate clearly the purposes, objectives and methods of the consultation process?</i></li> <li><input type="checkbox"/> <i>Is the information written/published in a way that is easily understood? (Layman’s terms?)</i></li> <li>- <i>How will you communication with communities? (e.g. nominated Liaison Officer?)</i></li> <li>- <i>How will you ensure the stakeholders have enough time to absorb the information and understand it before providing comment/input/feedback?</i></li> </ul>

Resources and technical assistance	<p><i>Consider sources of expertise. Resources may be available internally, or from other agencies/partners, or available for purchase.</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <i>Have you investigated experts from other government agencies?</i></li> <li><input type="checkbox"/> <i>Are there provisions for the purchase of advice/support/research if required?</i></li> </ul> <p><i>Resource considerations:</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <i>Translation of materials into local vernacular</i></li> <li><input type="checkbox"/> <i>Posters, flyers, radio script, etc.</i></li> <li><input type="checkbox"/> <i>Transport requirements, lodging and logistics.</i></li> </ul>
Grievance Management	<p><i>Consider the grievance procedures for the subproject.</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <i>Have the consultation team been familiarised with the grievance procedures?</i></li> <li><input type="checkbox"/> <i>Who will record and report grievances?</i></li> </ul> <p><i>Ensure the consultation team has access to Grievance resolution template and database and/or person in charge of these.</i></p>
Monitoring, Output and Reporting	<ul style="list-style-type: none"> <li><input type="checkbox"/> <i>How will the consultation process outcomes be documented and you know if it has been successful?</i></li> <li><input type="checkbox"/> <i>How will the information gained from such consultation be used?</i></li> <li><input type="checkbox"/> <i>How will decisions reached from completed consultation be implemented?</i></li> <li><input type="checkbox"/> <i>How will you inform the stakeholder/public of the outcomes?</i></li> <li><input type="checkbox"/> <i>Who should the consultation report be submitted too?</i></li> </ul>

### Stakeholder Mapping Exercise

Representative group/s being consulted	<p><i>Identification of stakeholders at local, district, state/provincial, national levels includes consideration of-</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <i>who is affected;</i></li> <li><input type="checkbox"/> <i>who is interested, their level of influence and the appropriate level/method of engagement;</i></li> <li><input type="checkbox"/> <i>how representation across all target groups will be ensured;</i></li> <li><input type="checkbox"/> <i>whether there are any other government agencies that hold an interest in the matter on which consultation is required;</i></li> <li><input type="checkbox"/> <i>whether there are there any stakeholders/groups that are difficult to access (and, if so, how will the consultation process allow for their input/feedback?).</i></li> </ul>
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**Approved / Not approved**

#### Consultation Plan prepared by:

Signature:  
Date: / /  
Name:  
Position held:

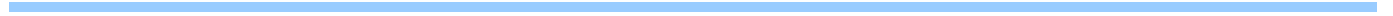
Signature:  
Date: / /  
Name:  
Position held:

Code	Activity	Total days	Budget	Year One
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Village/Stakeholder/Subproject: {insert name}			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
	Inception meeting	1													
	Recruit Liaison Officer	7													
	Identify key stakeholder groups	3													
	Develop Consultation Plan	7													
	Develop engagement materials	5													
	Community preawareness	3													
	Comm. information session/meeting	2													
	Conduct social assessment	5													
Code	Activity	Total days	Budget	Year Two											
Village/Stakeholder/Subproject: {insert name}			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	


**Example Consultation**

**Planning Tool: Subproject Budget and Work Plan**



## Stakeholder Survey

Tool for capturing stakeholder views and feedback on the PROP and/or subprojects:

Stakeholder	Key Interest	Key Concerns
<b>REGIONAL</b>		
FFA		
PNA		
SPC		
SPREP		
PIFS		
WCPFC		
Melanesia Spearhead Group (MSG)		
Committee on South Pacific Tuna and Billfish Fisheries		
Coral Triangle Initiative		
Conservation NGOs		
WorldFish		
Other NGOs		
<b>NATIONAL</b>		
Fisheries Ministry/Department		
Environment Ministry/Department		
_____ Ministry or Department		
_____ Ministry or Department		
<b>PROVINCIAL/STATE</b>		
Commercial operations		
Civil Society (CBOs)		
LMMA Network members		
Local conservation groups		
Local NGOs; Women's groups		
Local Fisher Associations		
Cluster villages (1)		
Cluster villages (2)		

## Appendix 2 Grievance Resolution Template

*For the Grievance Database template refer to Excel Spreadsheet (attached separately).*

### Grievance Resolution Procedure Template (Illustrative purposes only)

Recorded by : \_\_\_\_\_ Date : \_\_\_\_\_

ID Number : \_\_\_\_\_

Location : \_\_\_\_\_

	Name	Representing	Contact Details
Complainant 1			
Complainant 2			
Complainant 3			
Complainant 4			

Nature of Complaint : \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Resolution Action Plan:

Date	Persons Involved	Activity	Details

Satisfactory outcome? Yes  No  Why not ? \_\_\_\_\_

Print Name (Complainant) : \_\_\_\_\_

Signed (Complainant) : \_\_\_\_\_ Date :

Signed (Officer) : \_\_\_\_\_ Date :



Submitted to Manager? No  Yes  Who ? \_\_\_\_\_

Recorded in database as : ID#\_\_

## Annex E. ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN TEMPLATE

### Table of Contents

Glossary and Abbreviations

Executive Summary<sup>[L]  
[SEP]</sup>

- 1.0 Introduction
- 1.1 Background
- 1.2 Environmental and Social Objectives and Scope
- 1.3 Environmental and Social Management Plan Objectives and Scope
  - 1.3.1 Environmental Safeguards Document Hierarchy and Development
- 1.4 ESMP Methodology
- 2.0 Project Description
- 2.1 Description of Works
- 2.2 Duration and Timing of Construction Activities
- 2.3 Site Plan
- 2.4 Alternatives<sup>[L]  
[SEP]</sup>
- 3.0 Policy, Legal and Administration Framework
- 3.1 National Requirements
- 3.2 Regional Requirements
- 3.3 International Obligations
- 3.4 World Bank Policy
- 4.0 Environmental and Social Environment
- 4.1 Physical Environment
  - 4.1.1 Location and Geography
  - 4.1.2 Climate and Coastal Processes
  - 4.1.3 Soil and Geology
  - 4.1.4 Water Resources
  - 4.1.5 Land Use
- 4.2 Biological Environment
  - 4.2.1 Marine Biodiversity
  - 4.2.2 Terrestrial Biodiversity
  - 4.2.3 Conservation Areas
  - 4.2.4 Rare or Endangered Species<sup>[L]  
[SEP]</sup>
- 4.3 Socio-Economic Conditions
  - 4.3.1 Population and Demographics
  - 4.3.2 Education and Health
  - 4.3.3 Livelihoods and Economic Activities
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  - 4.3.5 Cultural Heritage

- 4.4 Projected Climate Changes and Impacts
- 5.0 Consultation and Stakeholder Engagement
  - 5.1 Background and Approach
  - 5.2 Outcomes of Consultation to Date
  - 5.3 Disclosure
- 6.0 Environmental and Social Impact
  - 6.1 Overview of Impacts
  - 6.2 Environmental Impact
    - 6.2.1 Solid Waste<sup>[1]</sup><sub>SEP</sub>
    - 6.2.2 Water Resource Use
    - 6.2.3 Biological Resources
    - 6.2.4 Hazardous Substances and Materials
    - 6.2.5 Noise and Vibration
    - 6.2.6 Erosion and Sediment control
    - 6.2.7 Air Emissions and Odours<sup>[1]</sup><sub>SEP</sub>
    - 6.2.8 Transport
    - 6.2.9 Wastewater Discharges
    - 6.2.10 Quarry and Aggregate Supply
    - 6.2.11 Biosecurity
    - 6.2.12 Secondary and Cumulative Impacts
    - 6.2.14 Coastal and Marine Environment Impacts
  - 6.3 Social Impact
    - 6.3.1 Subsistence Economic and Cultural Change
    - 6.3.2 Cultural Property
- 7.0 Mitigation Measures
  - 7.1 Aggregate, Materials and Equipment Importation<sup>[1]</sup><sub>SEP</sub>
  - 7.2 Hazardous Substance Use, Storage and Disposal<sup>[1]</sup><sub>SEP</sub>
  - 7.3 Safety and Traffic Management<sup>[1]</sup><sub>SEP</sub>
  - 7.4 Stormwater and Water Management
  - 7.5 Bitumen, Asphalt and Concrete Plant
  - 7.6 Construction Camp<sup>[1]</sup><sub>SEP</sub>
  - 7.7 Erosion and Sediment Control
  - 7.8 Waste Water Management
  - 7.9 Solid Waste Management
  - 7.10 Socio-Economic Measures
  - 7.11 Chance Finds Procedure<sup>[1]</sup><sub>SEP</sub>
- 8.0 Roles and Responsibilities
  - 8.1 Institutional Capacity
  - 8.2 Grievance Redress Mechanism
- 9.0 Compliance and Monitoring Plan
  - 9.1 Monitoring Plan
  - 9.2 Reporting

## 10.0 Contingency Planning

Appendix A ESMP Monitoring Plan Inspection Checklist

Appendix B Consultation Summary

## **Annex F. CONSULTATION ON ESMF AND SAFEGUARDS**

### **I. Minutes of Regional Consultations (Version 1 2014)**

#### **Pacific Island Regional Oceanscape Program (PROP)**

#### *Consultation on Program Design, Environmental and Social Safeguards, and Implementation*

*August 15, 2014*

*Majuro, Marshall Islands*

On August 15, 2014, a consultation was held with representatives of the key national Government agencies and regional organizations responsible for implementation of the proposed Pacific Island Regional Oceanscape Program (PROP). The meeting was chaired by Dr. Tim Adams, Director of Fisheries Management, the Pacific Islands Forum Fisheries Agency (FFA). A list of participants is included in Annex 1.

#### **Opening**

Dr. Adams opened the meeting by introducing the purpose to have a discussion and shared understanding of the scope of the proposed Program, and particularly the environmental and social safeguards policies that would apply to its implementation, and the draft Environmental and Social Management Framework (ESMF) for the Program (including a process framework for consultation with coastal communities in the course of implementation of component two). Dr. Adams reminded participants that he had just circulated the draft ESMF to them the day before, and asked all participants to review the document and hold any consultations with stakeholders necessary, and send him any comments or feedback for finalizing the document to submit to the World Bank on behalf of the countries in early September.

#### **Presentation**

Mr. John Virdin, Sr. Natural Resource Management Specialist from the World Bank, was asked by Dr. Adams to present an overview of the current design of the PROP, and to give some background on the World Bank's environmental and social safeguards policies and instruments, including the draft ESMF. The presentation is attached as Annex 2, and explained the current proposed investments, intended outputs, the applicable World Bank environmental and social safeguards policies, and the draft ESMF.

#### **Discussion**

The discussion focused over a number of hours on the scope of the PROP, ESMF and implementation, with overall consensus on the proposed design. Key points included:

- The scope and design of fisheries surveillance investments, to allow for much great presence in the countries' waters to combat illegal fishing;
- The responsibility for application of the ESMF, and the role of the process framework in guiding implementation of coastal fisheries management activities via consultation and consensus with targeted communities;

- The role of FFA in supporting implementation in each of the countries, as well as the World Bank; and
- The next steps for completing design and moving to implementation.

### Conclusion

Dr. Adams concluded the meeting with thanks to the participants and noting the objective had been reached to ensure consensus on the scope of the PROP and proposed instruments, and requested participants to conduct the needful review and consultations of the draft ESMF in the coming weeks.

### Annex 1. List of Participants

Name	Title	Organization
Dr. Tim Adams	Director of Fisheries Management	Pacific Islands Forum Fisheries Agency (FFA)
Mr. Eugene Pangilan	Deputy Director	National Oceanic Resource Management Authority (NORMA), Federated States of Micronesia
Ms. Maria Sahib	Fisheries Policy Specialist	Marshall Islands Marine Resource Authority (MIMRA), Republic of the Marshall Islands
Mr. Sylvester Diakite	Undersecretary	Ministry of Fisheries and Marine Resources (MFMR), Solomon Islands
Mr. Sam Finikaso	Director of Fisheries	Tuvalu Fisheries Department (TFD), Tuvalu
Dr. Simon Nicol	Principal Fisheries Scientist	Pacific Community (SPC)
Dr. Transform Aqorau	CEO	Parties to the Nauru Agreement Office (PNAO)
Mr. John Virdin	Sr. Natural Resource Management Specialist	World Bank

### Annex 2. PROP Presentation

See attachment section V.

## II. Minutes of Consultations in Solomon Islands

### Pacific Islands Regional Oceanscapes Program

## Draft Process Framework Consultation Report

Claire Forbes (social safeguards consultant) engaged a number of fisheries stakeholders from national and regional agencies on 21-30 May 2014. This document provides a short overview of meetings undertaken to date and key points for discussion relevant to the development of a PF.

### Completed Schedule

Day	Stakeholder	Role	Organisation
Wednesday 21 May	Ms. Ronnelle Panda	Deputy Director, Policy, Planning & Project Management	MFMR
	Mr. Simon Diffey	MSSIF Team Leader	MFMR
<i>Key Points</i>	General meet and greet		
Thursday 22 May	Ms. Rosalie Masu	Deputy Director, Inshore Fisheries	MFMR
	Mr. Steve Lindsay	Technical Advisor, Inshore Fisheries	MFMR
	Ms. Ronnelle Panda	Deputy Director, Policy, Planning & Project Management	MFMR
	Mr. Simon Diffey	MSSIF Team Leader	MFMR
	Dr. Tim Adams	Director, Fisheries Management	FFA
	Dr. Christian Ramofafia	Permanent Secretary	MFMR
	Ms. Salome Pita	Consultant, SIA Guidelines	MFMR
<i>Key Points</i>	<ul style="list-style-type: none"> <li>• Brief overview of key components of the PROP;</li> <li>• Org Structure of MFMR (off/onshore divisions) in Corporate Plan 2014-18;</li> <li>• New Fisheries Bill (goes to Parliament in June) will replace Fisheries Act 1998</li> <li>• EIA/SIA guidelines on fisheries processing facilities to be implemented by MECDM under <i>Env Act 1998</i>;</li> <li>• Discussion around potential PROP activities and social impacts/considerations;</li> <li>• Lack of data on coastal/artisanal fishers and stocks;</li> <li>• Challenge of open access resource: community-driven solutions are critical;</li> <li>• SI commercial operations and monitoring arrangements;</li> <li>• The high value of BDM, exploitation of export commodities and need for better management so it is not boom/bust scenario; and</li> <li>• Importance of ‘scaling-up’ lessons learnt across country/Pacific region.</li> </ul>		
Friday 23 May	Dr. Tim Adams	Director, Fisheries Management	FFA

<b>Key Points</b>	<ul style="list-style-type: none"> <li>• FFA’s operations re: oceanic fisheries; funding sources; assistance to PNA; VDS review; data and surveillance management;</li> <li>• Treaty-level instruments and harmonized management terms and conditions;</li> <li>• Opportunity via PROP to strengthen cooperative management through rights-based access</li> <li>• SPC’s strength and role in coastal fisheries (outsource Comp. 2 to SPC); alternative livelihoods; models of customary ownership and marine management; data limitations;</li> </ul>
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<b>Day</b>	<b>Stakeholder</b>	<b>Role</b>	<b>Organisation</b>
	and	<input type="checkbox"/> Challenge of regional approach to coastal fisheries/regional coordination of export fisheries – i.e., strengthen community-based fisheries management whilst linking these to valuable export markets, and improving control of export commodities for coastal fisheries nationally/regionally.	
Friday 23 May	Dr. Raoul Cola	Project Manager, Pacific CTI Coastal Fisheries Project	ADB
<b>Key Points</b>	<ul style="list-style-type: none"> <li>• Overview of ADB’s Coastal Fisheries Coral Triangle Initiative (US\$18.5mil) currently in implementation phase in five CTI countries ending in 2015;</li> <li>• Focus on community-based coastal fisheries, MPAs, training, provincial govt fisheries policies;</li> <li>• Administered by Govt Ministries (implementing agencies) but delivered by NGOs; <input type="checkbox"/> Category C required no safeguard documentation</li> </ul>		
Saturday 24 May	Mr. Simon Diffey	MSSIF Team Leader	MFMR
	Mr. Willie	Local fisheries officer	Guadalcanal Prv
<b>Key Points</b>	<ul style="list-style-type: none"> <li>• Field trip to Lambi (provincial/rural coastal fisheries).</li> <li>• Discussion with local fisheries officer and fishers (men and women) about fisheries centre, fishing activities, access to markets, customary marine tenure and voluntary land donation for fisheries building.</li> </ul>		
Sunday 25 May	Mr. Richard Banks	MSSIF Offshore Fisheries Advisor (fisheries economist)	MFMR
<b>Key Points</b>	<ul style="list-style-type: none"> <li>• New Fisheries Bill for Solomon Islands.</li> <li>• Financial arrangements and decision-making re: VDS.</li> </ul>		
Monday 26 May	Mr. Francis Tofuakalo	Deputy Director, Provincial Fisheries Division	MFMR
	Ms. Rosalie Masu	Deputy Director, Inshore Fisheries	MFMR
	Mr. Peter Kenilorea	SILMMA Coordinator	MFMR



<i>Key Points</i>	<ul style="list-style-type: none"> <li>• Functions of Provincial Division and responsibility / reporting arrangements of provincial fisheries officers, and budget allocations to Provincial Government</li> <li>• Staffing capacity in Provincial Fisheries Centres across 9 provinces and levels of autonomy</li> <li>• Role of National Coordinating Committee (NCC) for ADB CTI project</li> <li>• Coordination of Solomon Islands LMMA network &amp; Pacific Regional LMMA network which covers 7 countries (approx 106 communities officially in SI network)</li> <li>• MFMR SILMMA Coordinator (Peter) works in part-time capacity due to funding</li> <li>• SILMMA Country Coordinator nominated by members in AGM (Jimmy in Choiseul), connects to LMMA networks in other PICs</li> <li>• Limited data but TNC conducting CBRM mapping (AusAID funded)</li> <li>• Working with Provincial governance structures, community leadership/mediation and community based conservation associations</li> <li>• Need for Provincial management plans</li> <li>• Funding arrangements and partnerships with large NGOs and donors</li> <li>• Training and capacity building activities at local and provincial level including monitoring and proposal support</li> </ul>
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<b>Day</b>	<b>Stakeholder</b>	<b>Role</b>	<b>Organisation</b>
	☐ Key social risk is raising the expectations of communities.		
Tuesday 27 May	Mr. Francis Tofuakalo	Deputy Director, Provincial Fisheries Division	MFMR
<i>Key Points</i>	☐ Preparation for meeting with Provincial Fisheries Officers and Secretaries on Wednesday (cancelled)		
Wednesday 28 May	Ms. Ronnelle Panda	Deputy Director, Policy, Planning & Project Management	MFMR
	Mr. Steve Lindsay	Technical Advisor, Inshore Fisheries	MFMR
<i>Key Points</i>	<ul style="list-style-type: none"> <li>• MFMR partnership with WorldFish/NGOs, lacks accountability/transparency</li> <li>• Potential PROP activities for Component 2 (concern for raising community expectations)</li> <li>• New Fisheries Bill and guidelines for Fisheries Advisory Council</li> <li>• PMU responsibilities for donor projects (including PROP)</li> <li>• Roadmap for Inshore Fisheries Management 2014-2023 by Melanesian Spearhead Group</li> </ul>		
Wednesday 28 May	Ms. Anne-Maree Schwarz	Country Manager	WorldFish

<i>Key Points</i>	<ul style="list-style-type: none"> <li>Solomons operations and programs at local and ‘hub’ level</li> <li>WorldFish’s regional activities and outreach and partnership with JCU and Uni of Wollongong (participatory action research)</li> <li>Regional commonalities and information sharing on CBRM challenges and lessons learnt being developed including ‘readiness criteria’ for enabling community-driven approach</li> <li>Focus on facilitating the process and strengthening the learning cycle</li> <li>Fisheries ordinances and community fisheries management plans (CFMP) to be recognized through Fisheries Bill</li> <li>Extreme capacity constraints at Provincial level</li> <li>NCC/SILMMA enabled collaboration at the national level (but limited effectiveness due to capacity/funding constraints)</li> </ul>		
	Ms Mia Ramon	Country Manager, Coastal Fisheries Division	SPC
<i>Key Points</i>	<ul style="list-style-type: none"> <li>Overview of SPC’s Solomon’s office and Coastal Fisheries Division (FAME) with ten staff (Moses ex-Director of Fisheries in Vanuatu recently recruited)</li> <li>SPC’s support to national ministries and coordinated regional approach</li> <li>Funded activities require long-term view supported with appropriate technologies</li> <li>‘Ridge to Reef’ programs across numerous ministries and partners</li> <li>Limited capacity in Ministry which requires long-term approach, sound management as well as strengthening of SILMMA and at provincial level</li> <li>Opportunity for youth employment and career pathways (env/fisheries sector)</li> </ul>		
Thursday 29 May	Agnetha Vave-Karamui	Director, Conservation and Environment Division	MECDM
<i>Key Points</i>	Chanel Iroi	Undersecretary Technical and Director, Environment and Conservation Division	MECDM
	<ul style="list-style-type: none"> <li>Brief overview of key components of the PROP and FFA/SPC/MFMR roles</li> <li>ECD’s functions are to implement the <i>Wildlife Protection and Management Act 1998</i> (controls import and export of listed species of flora and fauna) and the <i>Environment Act</i></li> </ul>		
<b>Day</b>	<b>Stakeholder</b>	<b>Role</b>	<b>Organisation</b>
	<p>1998 (development controls, prevention of pollution, and comply with regional and international conventions and obligations relating to the environment).</p> <ul style="list-style-type: none"> <li>Distinction/overlap between MFMR and MECDM responsibilities.</li> <li>Policy on MPAs to be developed, usually these are voluntary in nature and designated by communities; REDD+ Roadmap finalized (not endorsed).</li> <li>Role / status of Environment Advisory Committee.</li> </ul>		
Thursday 29 May	Erik Johnson	Senior Operations Officer, Honiara	World Bank
<i>Key Points</i>	<ul style="list-style-type: none"> <li>Safeguards approach and documentation for Rural Development Program</li> <li>Screening process and application of Voluntary Land Protocol in PICs</li> <li>Common social issues and challenges for projects in Melanesia</li> </ul>		

Thursday 5 June	Quentin Hanich	Fisheries Governance Program Leader	ANCORS UoW
<i>Key Points</i>	<ul style="list-style-type: none"> <li>• Component 3 Blue Carbon, design of financial mechanisms for protected areas</li> <li>• Limited social risks/impacts on artisanal fishers, food security</li> </ul>		

### III. Minutes of Consultations in Tuvalu

#### Stakeholder Consultation on the Pacific Regional Oceanscape Programme (PROP) in Tuvalu

Tuvalu Family Health Association Conference Room, Funafuti, Tuvalu

Friday 17th October 2014 (0900-1200)

The above meeting was held as a means of ensuring stakeholder awareness and feedback in regard to the Tuvalu component of the PROP. The list of participants is shown at attachment 1. The letter of invitation to stakeholders is shown at attachment 2.

The meeting took place in three sessions as indicated in attachment 1:

- 1: PROP background, goals and activities;
- 2: PROP financing and financial management arrangements;
- 3: Social and Environmental Safeguards.

Each session was supported by slide from a powerpoint presentation, shown at attachment 3, and followed by discussion, questions and answers concerning that particular session. The meeting concluded with a more general discussion session.

Points raised by participants during the discussion included the following:

- Although the PROP includes support for strengthening the Funafuti Conservation Area (FCA), it may be necessary to go ‘back to basics’ and re-assess the fundamental rationale behind the FCA. Recent studies in Funafuti lagoon indicate that fishing pressure inside the FCA is no different than outside it, and it there may be better approaches to managing fisheries in Funafuti lagoon;
- In general, the time is coming when monitoring, control and surveillance will need to be applied to coastal fisheries in Tuvalu, as well as oceanic fisheries. Even community-based fisheries management systems involve the establishment and enforcement of rules, and there will always be people willing to break those rules if they are not policed. This is less of an issue in the outer islands than it is in Funafuti, where community coherence is weakened by high population density and the presence of people from all of Tuvalu’s islands;
- The safeguards applicable to the PROP are very important, especially those relating to natural habitats and environmental impacts. There are always unexpected ways in which well-intentioned development activities can have unforeseen impacts on sensitive environments and the Environmental and Social Management Framework (EMSF) to be developed for the PROP will provide valuable protection against this;
- The PROP budget is intended to contain some flexibility. The fisheries sector in the Pacific Islands region is highly dynamic and no-one can predict developments in the next 6 years, just as many of those in the past 6 years (such as the success of the VDS) were not predicted. At this point the budget is still not finalised and could be subject to minor but not radical modification. If in future the needs of the project change it should be possible to seek a variation from the Bank that will allow a certain amount of internal budget reallocation;
- Consultations with project stakeholders in the outer islands will be a key feature of the PROP. It is expected that resource surveys will be undertake initially and then at 3-year intervals on each island, with interim visits each year. This will be part of the process of developing island-based fishery management plans, and will also be a requirement of the EMSF in line with the safeguards on Indigenous Peoples and Involuntary Resettlement;
- The PROP will on management of coastal fisheries both in the outer islands, and in Funafuti. The nature of these problems is different, due to the fact that more than half of Tuvalu’s population now lives on Funafuti, fishing pressure is consequently much higher, and the coherence of the community is much less as residents are from all over Tuvalu. This difference is also reflected in the organisation of the Fisheries Department’s Coastal Fisheries Section, which contains units to deal with fisheries management in Funafuti, and in the outer islands;

- Management of the PROP will be by the Department of Fisheries. We expect to hire two full time staff (one of whom will be an accountant) and hope to have additional support from the WB Regional Aviation Project;
- Fishery resources on outer islands are currently protected by limited access to markets. This could change overnight – all it takes is one entrepreneur with a fish collection vessel – and put these small, fragile resources at risk. It is much easier to put in place fishery management arrangements now, while resources are not threatened, than trying to deal with them later when there is a problem;
- The Government has made an in-principle commitment to allocate 20 purse-seine vessel-days to each island in 2015, as a way to start the Community VDS. At the 2015 benchmark price of \$8,000 this equates to financing of \$160,000 per island. The management process for these funds is still being worked out but this presents an opportunity through which kaupule and communities may be able to access funds to support local fishery management initiatives;
- The PROP contains specific support for the Tuvalu fishery observer programme. There was some discussion on the details of this support, and it was noted that, as well as the need for refresher training for observers and debriefers in the short term, it will also be useful to have an independent review/ audit of observer programme management and operational arrangements, so that weaknesses can be identified and improvements made. This is a high priority work area for the PROP and implementation should start as soon as funds become available.

The meeting concluded by expressing its appreciation to the World Bank for taking the initiative to develop and promote the PROP. Participants acknowledged the potentially great contribution of the PROP to increasing economic benefits to Tuvalu based on sustainable use of its fishery resources.

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**Attachment 1: List of participants (alphabetical)**

<b>Name (Last, First)</b>	<b>Position</b>	<b>Organisation</b>	<b>E-mail</b>
Alefaio, Semese	Principal Fisheries Officer – Coastal Fisheries	Fisheries Department, MNR	<a href="mailto:sem@tautai.com">sem@tautai.com</a>
Esekia, Talafou	Maritime Commander	Tuvalu Police Service	<a href="mailto:talaloi@yahoo.com.au">talaloi@yahoo.com.au</a>
Hauma, Tomu	Coordinator	Tuvalu Association of Non-Government Organisations	<a href="mailto:tuvaluango@gmail.com">tuvaluango@gmail.com</a>
Ionatana, Solomua	Principal Fisheries Officer – Oceanic Fisheries	Fisheries Department, MNR	<a href="mailto:tualen@gmail.com">tualen@gmail.com</a>
Kaly, Ursula	Spiire consultant	Environment specialist (new Fisheries Building)	<a href="mailto:uschi@tautai.com">uschi@tautai.com</a>
Molu, Kiali	Acting Assistant Secretary	Ministry of Foreign Affairs, Trade, Environment and Labour	<a href="mailto:kmofu@gov.tv">kmofu@gov.tv</a>
Poulasi, Tupulaga	Principal Fisheries Officer – Operations & Development	Fisheries Department, MNR	<a href="mailto:etuati.ptauia@gmail.com">etuati.ptauia@gmail.com</a>
Preston, Garry	Advisor	Fisheries Department, MNR	<a href="mailto:garry@bluesquid.net">garry@bluesquid.net</a>
Teatu, Limasene	Permanent Secretary	Ministry of Finance and Economic Development	<a href="mailto:lteatu@gov.tv">lteatu@gov.tv</a>
Tupau, Falasese	Assistant Secretary	Ministry of Natural Resources	<a href="mailto:falasese@yahoo.com">falasese@yahoo.com</a>

**Attachment 2: Letter of invitation**



**TUVALU GOVERNMENT**  
**MINISTRY OF NATURAL RESOURCES**  
FUNAFUTI, TUVALU.  
Tel: (688) 20348/20742 Fax: (688) 20346/20151

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Date: 20 October, 2014

To: Permanent Secretary, Ministry of Finance & Economic Development  
Permanent Secretary, Ministry of Foreign Affairs, Environment and Trade;  
Permanent Secretary, Ministry of Home Affairs;  
A/ Captain Superintendent, Tuvalu Maritime Training Institute  
NZAP Development Programme Coordinator (Tuvalu)  
President, Tuvalu Association of Non-Government Organisations;  
Commander, Maritime Police;  
President, Tuvalu Fishermen's Association.

Re: **Stakeholder Consultation on the Pacific Regional Oceanscape Programme**  
*TUFHA Conference room, Friday 17<sup>th</sup> October, 0900 – 1200 hrs.*

The World Bank will shortly be seeking the approval of its Board of Directors to commence the Pacific Regional Oceanscape Programme (PROP). The PROP will assist participating countries to achieve increased economic benefits from improved management of fishery resources and marine spaces. This includes both industrial tuna fisheries and local fisheries in Funafuti and the outer islands. The PROP is structured as a series of overlapping investments over the next 9 years. Tuvalu is one of the countries participating in phase 1 (2015 – 2021), along with Solomon Islands, Marshall Islands and Federated States of Micronesia.

The project design for the Tuvalu component of the PROP will shortly be finalized. Before this is done, the Bank and the Ministry of Natural Resources are keen to ensure that the project design is well understood within Tuvalu and that all important issues and considerations have been addressed. For this reason the Ministry, with the support of the Bank, is organizing the present Stakeholder Consultation on the PROP. The purposes of the consultation are to:

- Provide a briefing on the objectives, goals and activities of the PROP;
- Outline the financing arrangements and financial management mechanisms;
- Describe the Social and Environmental Safeguards that have been developed for the project;
- Respond to any comments or questions about the programme;
- Use the feedback received to improve the PROP design prior to finalisation.

A wide range of government and non-government stakeholders are likely to have an interest in the PROP, or be affected by it. As a result the consultation will be open to representatives of the above organisations as well as others with a legitimate interest.

The proposed agenda for the meeting is as follows:

0900-0930: PROP background, goals and activities;  
0930-1000: PROP financing and financial management arrangements;  
1000-1030: Morning tea break  
1030-1100: Social and Environmental Safeguards  
1100-1130: Wrap-up discussions and feedback for PROP design.

Each sessions will be supported by a powerpoint presentation, followed by discussions, questions and answers.

I look forward to your participation in the Consultation.

Yours Sincerely

Falasese Tupau  
Acting Permanent Secretary

cc: Mr. J. Virdin, World Bank (by e-mail)  
Principal Fisheries Officer (Operations & Development)  
Principal Fisheries Officer (Oceanic Fisheries)  
Principal Fisheries Officer (Coastal Fisheries)  
Fisheries Department Advisor

**Attachment 3: PowerPoint presentation**

*See attachment, section V.*

#### **IV. Minutes of Consultations in the Republic of Marshall Islands**

### **Pacific Island Regional Oceanscape Program (PROP)**

#### ***Consultation on Program Design, Environmental and Social Safeguards, and Implementation***

*October 22, 2014*

*Majuro, Marshall Islands*

A stakeholder consultation was held on October 22, 2014, with representatives of the key national Government and local government agencies of Republic of Marshall Islands to discuss Pacific Island Regional Oceanscape Program (PROP) and the Environmental and Social Safeguard Management Framework (ESMF). A list of participants is included in Annex 1.



## Opening

The consultation was opened by Ms Maria Sahib of Marshall Islands Marine Resource Authority (MIMRA). Ms Sahib had reminded the participant that the draft ESMF had been emailed to each stakeholder prior to the consultation on any feedback that they might have on the draft document.

## Presentation

Ms. Sahib, who is the International Fisheries Policy Analyst from MIMRA, presented on the overview of the current design of the PROP, and a background on the World Bank’s environmental and social safeguard policies and instruments, including the draft ESMF. The presentation is attached as Annex 2, explains the components of PROP, intended outputs, the applicable World Bank environmental and social safeguards policies, and the draft ESMF.

## Discussion

The discussion focused over the scope of the PROP, ESMF and implementation. Key points included:

- Component 1 and 2 of PROP and the various activities being funded. A stakeholder queried on the issue of financial sustainability of coastal communities and that this program should be able to that.
- The PROP will be guided by the ESMF to mitigate any impact, as the activities funded might have a minimal negative environmental and social impact ;
- The role of FFA in supporting implementation in each of the countries, as well as the World Bank;
- The next steps for completing design and moving to implementation.
- A setback was identified in proceeding with the negotiations of PROP. A delay in the update of report from a previous WB funded project in RMI impacted on the timeline for negotiations to proceed. An engagement with the Ministry of Finance has been proposed to provide update to the Bank in order for the facilitation of the PROP negotiation.

## Conclusion

Ms Sahib concluded the consultation and thanked everyone for their participation and looked forward to everyone’s support in implementing the PROP.

## Annex 1. List of Participants

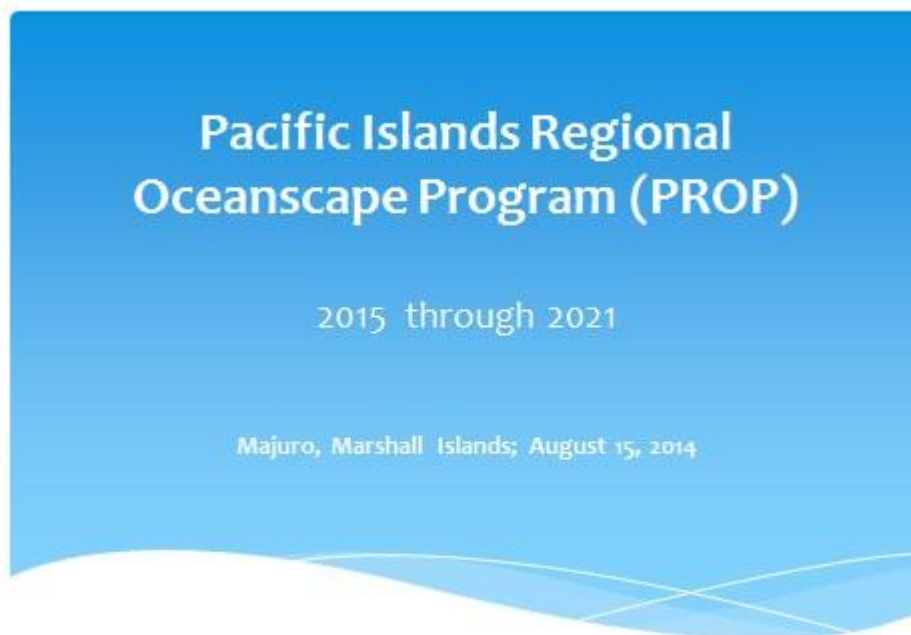
<b>Name</b>	<b>Title</b>	<b>Organization</b>
Ms Doreen DeBrum	Acting Secretary	Ministry of Foreign Affairs
Ms Florence Edwards	Head of Coastal Division	Marshall Islands Marine Resource Authority
Mr Albon Ishoda	Adviser	Ministry of Foreign Affairs
Mr Sam Lanwi	Deputy Director	Marshall Islands Marine Resource Authority
Mr Tion Nabau	Legal Advisor	Marshall Islands Marine Resource Authority

Ms. Maria Sahib	International Fisheries Policy Analyst	Marshall Islands Marine Resource Authority
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**Annex 2. PROP Presentation**

*See attachment, Section V.*

**V. Presentation on PROP safeguards that was presented at all consultation meetings**



- \* **Pre – 2011:** World Bank re-engagement in Pacific
- \* **2011:** Pacific Island Fisheries Engagement Strategy
- \* **Early 2012:** Discussions with Finance Ministers & Heads of State
- \* **Mid 2012:** Development of general concept for regional financing program – FFC Ministerial; FFEM meeting
- \* **Late 2012:** Initial countries express interest – FSM, RMI, Solomon Islands, Tuvalu
- \* **2013 and early 2014:** Preparation of details for specific PROP investments in 1<sup>st</sup> four countries, and FFA

## Structure of PROP

**Regional financing program:** series of IDA grants and credits to participating countries, + regional grant to FFA (w support to PNAO, PIFSec, potentially SPC)

**Who can participate?** All 11 Pacific Island member countries of World Bank are eligible to participate – on a rolling basis

**Timeframe:** 6 years of financing to each participating country

**Recipients/Borrowers:** Ministries of Finance sign legal agreement, fisheries agencies implement the funds. Regional grant to FFA in support.

## Description of Proposed PROP Financing

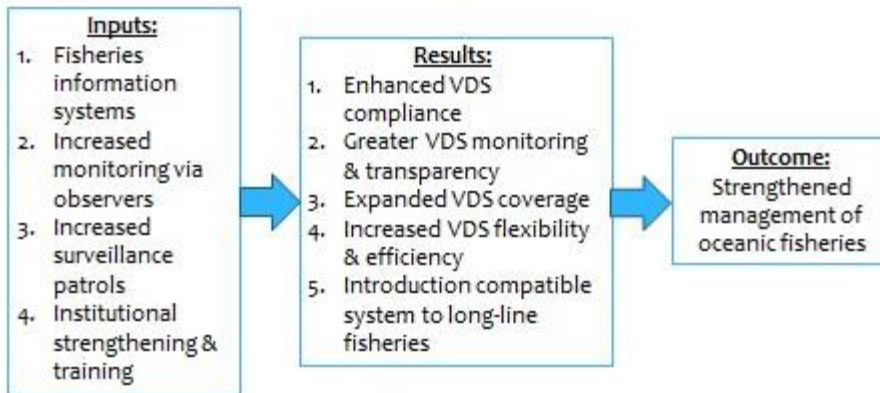
**Objective:** to strengthen the management of selected Pacific Island oceanic and coastal fisheries, and the critical habitats upon which they depend, as the basis for sustainable and increased economic benefits from this resource.

**Components:**

1. Sustainable management of oceanic fisheries
2. Sustainable management of coastal fisheries
3. Sustainable financing of the conservation of critical fishery habitats

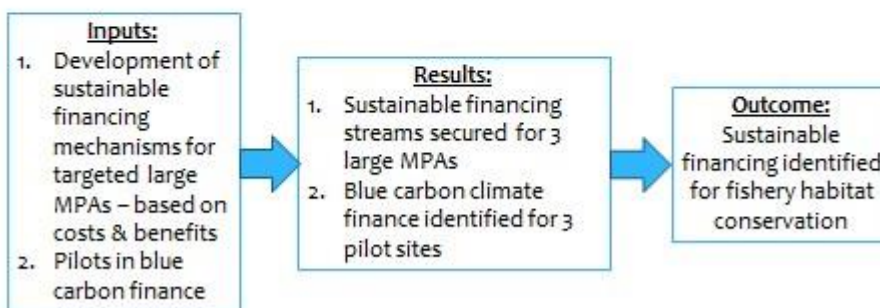
## Description of Proposed PROP Financing

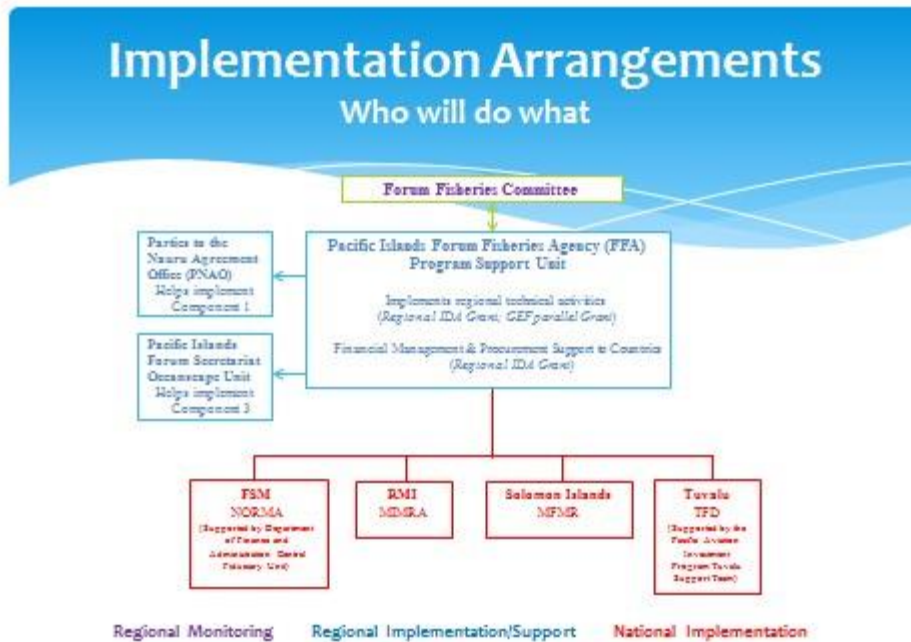
### Component 1: Sustainable Management of Oceanic Fisheries



## Description of Proposed PROP Financing

### Component 3: Conservation of Critical Fishery Habitats





- **Regional IDA Grant direct to FFA for regional activities + Program Support Unit**
- **IDA funds for each country flow to a national designated account, to be implemented by the fisheries agency, with as much/little support from PSU as needed**

## Implementation Arrangements

### Procurement

- Country prepares technical specifications, TORs
- Country procures small local items
- FFA PSU supports larger procurement processes – for regional and international procurement
- Country selects vendors/consultants, signs contracts, makes payments

## Implementation Arrangements

### World Bank's Environmental & Social Safeguard Policies



## Implementation Arrangements

### World Bank's Environmental & Social Safeguard Policies

- \* Mechanisms for integrating environmental and social issues into decision-making process
- \* Focus on evaluating and managing environmental and social impacts throughout project cycle
- \* Country has responsibility for implementation, World Bank provides guidance and support
- \* Environmental and Social Management Framework (ESMF) document guides PROP implementation to ensure compliance

## PROP Proposed Financing Amounts (TBC)

FSM: US\$5.6 M IDA

RMI: US\$6.75 M IDA

Solomon Islands: US\$10.85 M IDA\*

Tuvalu: US\$7.0 M IDA

FFA: US\$3.97 M IDA; US\$1.5 M GEF

\* Subject to confirmation by Finance Debt Mgt Committee; exploration of GEF financing



## PROP Proposed Financing Amounts (TBC)

	C1: Fisheries		C2: Coastal Fisheries		C3: Fishery Habitats		C4: Regional Coord., M&E, etc.		TOTAL	
	National IDA (\$)	Regional IDA (\$)	National IDA (\$)	Regional IDA (\$)	National IDA (\$)	Regional IDA (\$)	National IDA (\$)	Regional IDA (\$)	National IDA (\$)	Regional IDA (\$)
FSM	1.1 M	4.0 M	0.4 M	N/A	0.1 M	N/A	1.6 M	4.0 M		
RMI	1.0 M	4.45 M	0.95 M	N/A	0.35 M	N/A	2.3 M	4.45 M		
SoL Islands	1.8 M	5.95 M	2.9 M	N/A	0.2 M	N/A	4.9 M	5.95 M		
Tuvalu	1.0 M	4.77 M	1.13 M	N/A	0.1 M	N/A	2.23 M	4.77 M		
FFA	N/A	1.27 M	N/A	1.0 M	N/A	1.7 M	N/A	3.97 M		
<b>TOTAL</b>	<b>4.9 M</b>	<b>20.44 M</b>	<b>5.38 M</b>	<b>1.0 M</b>	<b>0.75 M</b>	<b>1.7 M</b>	<b>11.03 M</b>	<b>23.14 M</b>		

Regional IDA funds available for activities with regional benefits/spill-overs (Components 1 & 3)

Countries responsible for maximum 20% of annual national IDA allocation for such regional activities – rest covered by regional IDA (roughly 1 to 2 ratio overall)

## Next Steps to Start PROP

- **August:** After review by countries, FFA to submit ESMF to World Bank for review and public disclosure
- **September:** Based on this trip & discussions, World Bank to prepare completed PROP project document (PAD) for internal review
- **September:** After internal review, World Bank to finalize draft PROP project document (PAD) with countries + FFA, PNAO and PIFSec
- **September:** Countries, FFA and World Bank complete draft procurement plans
- **October:** With PAD & procurement plans completed, World Bank prepares draft legal agreements for \$ for each country and for FFA – discussions w/ implementing agencies, then formal negotiations
- **November/December:** After negotiations, PROP submitted to World Bank Board of Directors for approval
- **January:** After Board approval, legal agreements signed and PROP begins

## **VI. ESMF Version 2 (2018) - Stakeholder Consultation**

The ESMF was updated in 2018 to reflect the restructuring of three programs, the RMI, the Solomon Islands and the FFA. The draft updated ESMF (Version 2) was shared with the implementation agencies in the RMI, the Solomon Islands and the FFA. Their comments and feedback were incorporated in the finalized ESMF document.

National consultations on Version 2 of the ESMF were undertaken in RMI and Solomon Islands – to ensure stakeholder awareness and feedback in regard to the specific activities under the restructured projects. In the RMI, the DIDA Safeguards Advisor shared the draft updated ESMF with MIMRA, Department of International Finance and Administration (DIDA), and RMI Environmental Protection Authority. Their comments and feedback were also incorporated in the finalized ESMF document. The RMI EPA and MIMRA are in ongoing discussions about how best to implement the maritime pollution activity under Component 2, as this is an area of mutual interest. They have agreed to work collaboratively on this aspect. In the Solomon Islands, the updated ESMF was shared with MFMR, MECDM, PIU staff, Ministry of Environment, and World Fish for consultation and feedback.

The FFA consulted with key government and NGO stakeholders for their regionally-focused project. They shared the draft ESMF with all FFA staff, the PIF's Office of the Pacific Ocean Commissioner, the SPC, and the Parties to the Nauru Agreement Office (PNAO). The FFA will disclose the final document on the FFA website and all the CROP agencies websites through their media team.

## Annex G. RESTRUCTURED PROJECTS GRIEVANCE REDRESS MECHANISMS

### I. GRM - RMI

# COMPLAINTS PROCESS for the RMI Pacific Regional Oceanscape Program (PROP) Project

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(aka Grievance Redress Mechanism (GRM))

## 1. Principles of the Complaints Process

- The Complaints process is for people seeking satisfactory resolution of their complaints on the environmental and social performance of the PROP project at the Marshall Islands Marine Resources Authority (MIMRA) in the Republic of the Marshall Islands (RMI).
- This Process is consistent with the Project's Environmental and Social Management Framework (ESMF) Grievance Redress Mechanism (Section VIII).
- The mechanism will ensure the following:
  - the basic rights and interests of every person affected by poor environmental performance or social management of the project are protected; and
  - their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

## 2. How to get in touch:

Anyone can make a complaint or grievance, ask for information on the project or get in touch for any reason. Complaints can be anonymous. There are various ways to get in touch are:

- 1) By Phone: (692) 625-8262/5632 at MIMRA Office
- 2) By email: yolanda.elanzo@gmail.com with copy to gazza700@gmail.com
- 3) By mail: P.O. Box 860, Delap, Majuro MH 96960
- 4) In person: MIMRA Building, Delap Village, Majuro MH 96960
- 5) Website: [www.mimra.com](http://www.mimra.com)

This information, and a brief summary of the process for answering queries and managing grievances, will be published on the MIMRA website, and in consultation discussions particularly when involving the RMI and other Stakeholders.

## 3 Roles and responsibilities:

*The following are persons involved in the complaints process and their supporting roles and responsibilities.*

- 1) Focal Point for managing the RMI PROP Complaints Process: Yolanda Elanzo, Project Coordinator for the PROP Project.

- 2) Person who will manage the database and record keeping: Garry Venus, Safeguards Specialist at the Centralized Support Unit (CSU) of the RMI Government Department of Finance.
- 3) Person who will answer simple queries and manage simple complaints: Yolanda Elanzo, Project Coordinator for PROP Project.
- 4) Person who will manage difficult complaints or grievances: Florence T. Edwards, Deputy Director Coastal and Community Affairs, MIMRA with support from CSU Safeguards Specialist
- 5) Person who will prepare report for World Bank reporting: CSU Safeguards Specialist
- 6) Grievance Committee will be formed on an ad hoc basis for complex or significant grievance management. This will be made up of appropriate senior officials (Assistant Secretary level or above) from the following:
  - a. Department of Finance with support from CSU Safeguards Specialist
  - b. Department or Office managing the project at which the complaint is aimed (MIMRA Deputy Director in the case of PROP Project)
  - c. Department of Environment

#### **4. The complaints process:**

- 1) All complaints or grievances are entered into an assigned database that tracks progress of each complaint/grievance. Complaints records (letter, email, record of conversation) are stored together, electronically or in hard copy. Each record has a unique number reflecting year and sequence of received complaint (i.e. 2018-01, 2018-02 etc.).
- 2) Each complaint/grievance is assigned a specific person responsible for close out.
- 3) Each complaint or grievance will have a plan for addressing and closing out:
  - a. Contractor or Fisheries officer or similar project person can address issues on site as required.
  - b. If it relates to Contractor activities, Project should ensure the Contractor remedies any damage, pays compensation for damage or loss, etc.
  - c. Use of community leaders and customary methods of conflict resolution is encouraged if necessary and appropriate when an issue emerges.
  - d. If an issue/complaint cannot be resolved on site, it is elevated to the Project Manager for resolution (with support from the Safeguards Specialist in the CIU). If the Project Manager and Safeguards Specialist cannot resolve the issue, it is referred to the ad hoc Grievance Committee.
  - e. If a resolution cannot be found through the Grievance Committee, the next course of action is the courts of RMI or an independent mediator.
- 4) All simple complaints and grievances must aim to be closed out within 1 month. Complex complaints should aim to be closed out within 3 months or deferred to the Grievance Committee.
- 5) All complainants have the right to use the courts of RMI at any time to seek resolution.
- 6) The Project Manager will make adjustments to consultations, the GRM, community engagement, project implementation and other aspects as necessary to avoid future complaints and grievances.

#### **5. Reporting and Evaluation**

- 1) Complaints shall be reported in the regular project reporting to the World Bank. It should contain:

- a. Total number of complaints / grievances received
  - b. Total number resolved.
  - c. Total number under investigation / not yet resolved.
  - d. Total number not yet resolved and also exceeds the recommended close out time of 1 month or 3 months.
  - e. Short paragraph on any significant grievances currently not yet resolved and any risks to project implementation.
- 2) If there are more than 30 complaints / grievances recorded, the Project Manager may decide to investigate any patterns or repetition of issues that need addressing. The Project Manager may decide to get an independent consultant to review and provide advice.

\_\_\_\_\_END\_\_\_\_\_

## **II. GRM – Solomon Islands**

### III. GRM – FFA

# COMPLAINTS PROCESS

## for the Pacific Regional Oceanscape Program (PROP) Project

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(aka Grievance Redress Mechanism (GRM))

### 1. Principles of the Complaints Process

- The Complaints process is for people seeking satisfactory resolution of their complaints on the environmental and social performance of the PROP project at the Pacific Islands Forum Fisheries Agency (FFA).
- This Process is consistent with the Project’s Environmental and Social Management Framework (ESMF) Grievance Redress Mechanism (Section VIII).
- The mechanism will ensure the following:
  - the basic rights and interests of every person affected by poor environmental performance or social management of the project are protected; and
  - their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

### 2. How to get in touch:

Anyone can make a complaint or grievance, ask for information on the project or get in touch for any reason. Complaints can be anonymous. There are various ways to get in touch are:

- 6) By Phone: (677) 21124 – FFA Headquarter in Honiara, Solomon Islands.
- 7) By email: [judy.arumae@ffa.int](mailto:judy.arumae@ffa.int) with copy to [mike.batty@ffa.int](mailto:mike.batty@ffa.int)
- 8) By mail: Post Office Box 629, Honiara, 1 FFA Road, West Kola Ridge
- 9) In person: FFA Headquarter, Honiara
- 10) Website: [www.ffa.int](http://www.ffa.int)

This information, and a brief summary of the process for answering queries and managing grievances, will be published on the NORMA website, FSM Government information website on the NORMA public bulletin board, and in consultation discussions particularly when involving the States and other Stakeholders.

### 3. Roles and responsibilities:

*The following are persons involved in the complaints process and their supporting roles and responsibilities.*

- 7) Focal Point for managing the FSM PROP Complaints Process: Ms Judy Arumae, Project Coordinator for the PROP Project.
- 8) Person who will manage the database and record keeping: Ms Judy Arumae, Project Coordinator, PROP Project.

- 9) Person who will answer simple queries and manage simple complaints: Ms Judy Arumae, Project Coordinator for PROP Project.
- 10) Person who will manage difficult complaints or grievances: Mr Mike Batty, Director, Fisheries Development Division (FDD), FFA.
- 11) Person who will prepare report for World Bank reporting: FFA PROP Safeguards Specialist
- 12) Grievance Committee will be formed on an ad hoc basis for complex or significant grievance management. This will be made up of appropriate senior officials (Director levels) from the following:
  - a. Solomon Islands Ministry of Environment, Conservation, Disaster Management and Meteorology
  - b. Director, FDD FFA
  - c. PROP Safeguards Specialist
  - d. Solomon Islands Ministry of Fisheries and Marine Resources.

#### **4. The complaints process:**

- 7) All complaints or grievances are entered into an assigned database that tracks progress of each complaint/grievance. Complaints records (letter, email, record of conversation) are stored together, electronically or in hard copy. Each record has a unique number reflecting year and sequence of received complaint (i.e. 2018-01, 2018-02 etc.).
- 8) Each complaint/grievance is assigned a specific person responsible for close out.
- 9) Each complaint or grievance will have a plan for addressing and closing out:
  - a. Contractor or Fisheries officer or similar project person can address issues on site as required.
  - b. If it relates to Contractor activities, Project should ensure the Contractor remedies any damage, pays compensation for damage or loss, etc.
  - c. Use of community leaders and customary methods of conflict resolution is encouraged if necessary and appropriate when an issue emerges.
  - d. If an issue/complaint cannot be resolved on site, it is elevated to the Project Manager for resolution (with support from the Safeguards Specialist in the CIU). If the Project Manager and Safeguards Specialist cannot resolve the issue, it is referred to the ad hoc Grievance Committee.
  - e. If a resolution cannot be found through the Grievance Committee, the next course of action is the courts, to be determined by FFA or an independent mediator.
- 10) All simple complaints and grievances must aim to be closed out within 1 month. Complex complaints should aim to be closed out within 3 months or deferred to the Grievance Committee.
- 11) All complainants have the right to use the courts determined by FFA at any time to seek resolution.
- 12) The Project Manager will make adjustments to consultations, the GRM, community engagement, project implementation and other aspects as necessary to avoid future complaints and grievances.

#### **5. Reporting and Evaluation**

- 3) Complaints shall be reported in the regular project reporting to the World Bank. It should contain:
  - a. Total number of complaints / grievances received



- b. Total number resolved.
  - c. Total number under investigation / not yet resolved.
  - d. Total number not yet resolved and also exceeds the recommended close out time of 1 month or 3 months.
  - e. Short paragraph on any significant grievances currently not yet resolved and any risks to project implementation.
- 4) If there are more than 30 complaints / grievances recorded, the Project Manager may decide to investigate any patterns or repetition of issues that need addressing. The Project Manager may decide to get an independent consultant to review and provide advice.

\_\_\_\_\_END\_\_\_\_\_

## IV. GRM – FSM

# COMPLAINTS PROCESS

## for the Pacific Regional Oceanscape Program (PROP) Project

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(aka Grievance Redress Mechanism (GRM))

### Principles of the Complaints Process

- The Complaints process is for people seeking satisfactory resolution of their complaints on the environmental and social performance of the PROP project at the National Oceanic Resource Management Authority (NORMA) in the Federated States of Micronesia (FSM).
- This Process is consistent with the Project’s Environmental and Social Management Framework (ESMF) Grievance Redress Mechanism (Section VIII).
- The mechanism will ensure the following:
  - the basic rights and interests of every person affected by poor environmental performance or social management of the project are protected; and
  - their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

### How to get in touch:

Anyone can make a complaint or grievance, ask for information on the project or get in touch for any reason. Complaints can be anonymous. The various ways to get in touch are:

- 1) By Phone: (691) 320-2700 at FSM NORMA Office
- 2) By email: [okean.ehmes@norma.fm](mailto:okean.ehmes@norma.fm) with copy to [bdaunakamakama@gmail.com](mailto:bdaunakamakama@gmail.com).
- 3) By mail: Post Office Box PS-122, Palikir, Pohnpei, FSM 96941
- 4) In person: 2<sup>nd</sup> Floor, Ambros Building in Kolonia, Pohnpei, Federated States of Micronesia. Give to Mr. Okean Ehmes or put in complaints/suggestion box.
- 5) Website: [www.norma.fm](http://www.norma.fm)

This information, and a brief summary of the process for answering queries and managing grievances, will be published on the NORMA website, FSM Government information website on the NORMA public bulletin board, and in consultation discussions particularly when involving the States and other Stakeholders.

### Roles and responsibilities:

*The following are persons involved in the complaints process and their supporting roles and responsibilities.*

- 1) Focal Point for managing the FSM PROP Complaints Process: Mr. OKean Ehmes, Project Coordinator for the PROP Project.
- 2) Person who will manage the database and record keeping: Ms. Beulah Daunakamakama at the Central Implementation Unit (CIU) of the FSM Government Department of Finance & Administration.
- 3) Person who will answer simple queries and manage simple complaints: Mr. Okean Ehmes, Project Coordinator for PROP Project.
- 4) Person who will manage difficult complaints or grievances: Mr. Mathew Chigiyal, Deputy Director of FSM NORMA with support from CIU.
- 5) Person who will prepare report for World Bank reporting: CIU.
- 6) Grievance Committee will be formed on an ad hoc basis for complex or significant grievance management. This will be made up of appropriate senior officials (Assistant Secretary level or above) from the following:
  - a. Department of Finance & Administration with support from CIU Safeguards Specialist
  - b. Department or Office managing the project at which the complaint is aimed (NORMA Deputy Director in the case of PROP Project)
  - c. Department of Health & Social Affairs
  - d. Department of Environment, Climate Change and Emergency Management

### **The complaints process:**

- 1) All complaints or grievances are entered into an assigned database that tracks progress of each complaint/grievance. Complaints records (letter, email, record of conversation) are stored together, electronically or in hard copy. Each record has a unique number reflecting year and sequence of received complaint (i.e. 2018-01, 2018-02 etc.).
- 2) Each complaint/grievance is assigned a specific person responsible for close out.
- 3) Each complaint or grievance will have a plan for addressing and closing out:
  - a. Contractor or Fisheries officer or similar project person can address issues on site as required.
  - b. If it relates to Contractor activities, Project should ensure the Contractor remedies any damage, pays compensation for damage or loss, etc.
  - c. Use of community leaders and customary methods of conflict resolution is encouraged if necessary and appropriate when an issue emerges.
  - d. If an issue/complaint cannot be resolved on site, it is elevated to the Project Manager for resolution (with support from the Safeguards Specialist in the CIU). If the Project Manager and Safeguards Specialist cannot resolve the issue, it is referred to the ad hoc Grievance Committee.

- e. If a resolution cannot be found through the Grievance Committee, the next course of action is the courts of FSM or an independent mediator.
- 4) All simple complaints and grievances must aim to be closed out within 1 month. Complex complaints should aim to be closed out within 3 months or deferred to the Grievance Committee.
- 5) All complainants have the right to use the courts of FSM at any time to seek resolution.
- 6) The Project Manager will make adjustments to consultations, the GRM, community engagement, project implementation and other aspects as necessary to avoid future complaints and grievances.

## Reporting and Evaluation

- 1) Complaints shall be reported in the regular project reporting to the World Bank. It should contain:
  - a. Total number of complaints / grievances received
  - b. Total number resolved.
  - c. Total number under investigation / not yet resolved.
  - d. Total number not yet resolved and also exceeds the recommended close out time of 1 month or 3 months.
  - e. Short paragraph on any significant grievances currently not yet resolved and any risks to project implementation.
- 2) If there are more than 30 complaints / grievances recorded, the Project Manager may decide to investigate any patterns or repetition of issues that need addressing. The Project Manager may decide to get an independent consultant to review and provide advice.

\_\_\_\_\_END\_\_\_\_\_