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Report No: PAD4362

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF US\$ 7.3 MILLION

FROM THE

PAPUA NEW GUINEA AND PACIFIC ISLANDS UMBRELLA FACILITY MULTI-DONOR TRUST FUND

TO

SOLOMON ISLANDS

FOR A

Community Access and Urban Services Enhancement Project Additional Financing

August 31, 2021

Social Sustainability & Inclusion Global Practice
East Asia And Pacific Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective {August 02, 2021})

Currency Unit = Solomon Islands
Dollar

US\$1 = SBD8.00

FISCAL YEAR

January 1 - December 31

Regional Vice President: Victoria Kwakwa

Acting Country Director: Stephen Ndegwa

Regional Director: Benoit Bosquet

Practice Manager: Susan S. Shen

Task Team Leader(s): Sonya Woo

ABBREVIATIONS AND ACRONYMS

APTC	Australia Pacific Training Coalition
BSP	Bank South Pacific
CAUSE	Community Access and Urban Services Enhancement Project
CIMS	CAUSE Information Management System
CQS	Consultants Qualifications
CLO	Community Liaison Officer
COVID-19	Novel Coronavirus 2019
CPF	Country Partnership Framework
CRISP	Community Resilience to Climate and Disaster Risk Project
DA	Designated Account
DFAT	Department of Foreign Affairs and Trade, Australia
DFIL	Disbursement and Financial Information Letter
EFA	Economic and Financial Analysis
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMG	Environmental and Social Management Guidelines
ESMP	Environment and Social Management Plan
FM	Financial Management
FUS	Follow Up Survey
GPA	Guadalcanal Provincial Authority
GRM	Grievance Redress Mechanism
HCC	Honiara City Council
HIES	2013 Household Income and Expenditure Survey
IDA	International Development Association
IFR	Interim Financial Report
ILO	International Labor Organization
IP	Indigenous People
IPF	Investment Project Financing
ISDT	Infrastructure and Service Delivery Training
LASI	Literacy Association of Solomon Islands
LDA	Literacy Development Association
M&E	Monitoring and Evaluation
MDTF	Multi-Donor Trust Fund
MHA	Ministry of Home Affairs
MHMS	Ministry of Health and Medical Services
MID	Ministry of Infrastructure Development
MIS	Management Information System
MNPDC	Ministry of National Planning and Development Coordination
MPA	Malaita Provincial Authority
MTR	Mid-Term Review
MTTAP	Medium-Term Transport Action Plan
NCS	Non-Consulting Services
NPV	Net Present Value

NTF	National Transport Fund
NTP	National Transport Plan
O&M	Operations and Maintenance
OPCS	Operations Policy and Country Services
PA	Participation Agreement
PDO	Project Development Objective
PPE	Personal Protective Equipment
PWD	Peoples with Disabilities
SDR	Special Drawing Rights
PIU	Provincial Implementation Unit
PMU	Project Management Unit
POM	Project Operations Manual
PPIUF	Papua New Guinea and Pacific Islands Umbrella Facility Multi-Donor Trust Fund
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee
PTSS	Post-Training Support Services
REP	Rapid Employment Project
SI	Solomon Islands
SBD	Solomon Islands Dollars
SIG	Solomon Islands Government
SOPE	State of Public Emergency
TCC	Technical Coordination Committee
US\$	United States Dollar
WB	World Bank
WHO	World Health Organization
WPA	Western Provincial Authority

Solomon Islands

Community Access and Urban Services Enhancement Project Additional Financing

TABLE OF CONTENTS

I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING	7
II. DESCRIPTION OF ADDITIONAL FINANCING	14
III. KEY RISKS	25
IV. APPRAISAL SUMMARY	26
V. WORLD BANK GRIEVANCE REDRESS	30
VI. SUMMARY TABLE OF CHANGES	ERROR! BOOKMARK NOT DEFINED.
VII. DETAILED CHANGE(S).....	ERROR! BOOKMARK NOT DEFINED.
VIII. RESULTS FRAMEWORK AND MONITORING	36



BASIC INFORMATION – PARENT (Community Access and Urban Services Enhancement Project - P161320)

Country	Product Line	Team Leader(s)		
Solomon Islands	IBRD/IDA	Sonya Woo		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P161320	Investment Project Financing	SEAS1 (9358)	EACNF (6680)	Social Sustainability and Inclusion

Implementing Agency: Ministry of Infrastructure Development, Honiara City Council

Is this a regionally tagged project?	
No	

Bank/IFC Collaboration
No

Approval Date	Closing Date	Expected Guarantee Expiration Date	Original Environmental Assessment Category	Current EA Category
02-Apr-2018	27-May-2022		Partial Assessment (B)	Partial Assessment (B)

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input checked="" type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input checked="" type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)



Development Objective(s)

To improve basic infrastructure and services for vulnerable urban populations in targeted urban centers of the Recipient.

Ratings (from Parent ISR)

	Implementation					Latest ISR
	11-Nov-2018	20-May-2019	03-Dec-2019	10-Jun-2020	03-Dec-2020	09-Jun-2021
Progress towards achievement of PDO	S	MS	S	S	S	S
Overall Implementation Progress (IP)	S	MS	S	S	S	S
Overall Safeguards Rating	S	S	S	S	S	S
Overall Risk	M	M	M	M	M	M
Financial Management	S	S	MS	MS	MU	MS
Project Management	S	MS	S	S	S	S
Procurement	S	S	S	S	S	S
Monitoring and Evaluation	S	MS	MS	MS	MS	MS

BASIC INFORMATION – ADDITIONAL FINANCING (Community Access and Urban Services Enhancement Project Additional Financing - P176094)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P176094	Community Access and	Restructuring, Scale Up	Yes



	Urban Services Enhancement Project Additional Financing		
Financing instrument	Product line	Approval Date	
Investment Project Financing	Recipient Executed Activities	31-Aug-2021	
Projected Date of Full Disbursement	Bank/IFC Collaboration	Joint Level	
30-Apr-2024	Yes	Complementary or Interdependent project requiring active coordination	
Is this a regionally tagged project?			
No			

Financing & Implementation Modalities

<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input checked="" type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input checked="" type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed	
IBRD				<div style="width: 0%;"></div>	%
IDA	15.00	12.22	2.38	<div style="width: 84%;"></div>	84 %
Grants				<div style="width: 0%;"></div>	%

PROJECT FINANCING DATA – ADDITIONAL FINANCING (Community Access and Urban Services Enhancement Project Additional Financing - P176094)



FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	15.00	7.30	22.30
Total Financing	15.00	7.30	22.30
Financing Gap	0.00	0.00	0.00

DETAILS - Additional Financing

Non-World Bank Group Financing

Trust Funds	7.30
Trust Funds	7.30

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any other Policy waiver(s)?

Yes No

Explanation

IDA management has approved the processing of the proposed AF in accordance with Paragraph 12 of Section III of IDA's IPF Policy, which will allow for the use of condensed procedures and require the application of IDA's Mandatory Direct Payment, which is consistent with the Parent Project. In addition, a waiver of the Environmental and Social Framework (ESF), the Environmental and Social Directive for IPF, and the Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups was granted by the IDA's Vice President for Operations Policy and Country Services (OPCS). Further to this, an exception to the Expiry of Waivers for Use of AF under Safeguard Policies to Scale-up Ongoing Pre-ESF Investment Project Financing Projects was granted by the



Vice President for OPCS.

Has the waiver(s) been endorsed or approved by Bank Management?

Approved by Management

Endorsed by Management for Board Approval

No

Explanation

A memo dated December 2, 2020 for the application of Paragraph 12 of Section III of IDA’s IPF Policy, which would allow for the use of condensed procedures was approved by the World Bank's Country Director on December 7, 2020. In addition, a waiver of the Environmental and Social Framework, the Environmental and Social Directive for IPF, and the Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups was granted by IDA's Vice President for OPCS on December 4, 2020. The waiver was granted on the basis of the AF’s response to COVID-19 specific considerations. An exception to the Expiry of Waivers for Use of AF under Safeguard Policies to Scale-up Ongoing Pre-ESF Investment Project Financing Projects was granted by the Vice President for OPCS on May 17, 2021.

INSTITUTIONAL DATA

Practice Area (Lead)

Social Sustainability and Inclusion

Contributing Practice Areas

Fragile, Conflict & Violence

Gender

Social Protection & Jobs

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Sonya Woo	Team Leader (ADM Responsible)	Social Sustainability and Inclusion	SEAS1
Hoai Van Nguyen	Procurement Specialist (ADM Responsible)	Procurement	EEAR1
Andy Chandra Firdana	Procurement Specialist	Procurement	EEAR2
Janet Virginia Gamarra Rupa	Financial Management Specialist (ADM Responsible)	Financial Management	EEAG2
Bunlong Leng	Environmental Specialist (ADM Responsible)	Environmental Risk	SEAE1
Joyce Onguglo	Social Specialist (ADM Responsible)	Social Risk	SEAS1



Responsible)			
Name	Title	Organization	Location
Chau-Ching Shen	Team Member	Disbursement	WFACS
Darian Naidoo	Team Member	Survey Design	EEAPV
Duangrat Laohapakakul	Counsel	Legal	LEGAS
Faustinus Marius Ravindra Corea	Team Member	MIS	SEAS1
Janet Funa	Team Member	Program Assistant	EACSB
Joan Toledo	Team Member	Disbursement	WFACS
Manju Venkiteswaran	Team Member	Program Assistant	EACNF
Manoj Kumar Nath	Team Member	Training	SEAS1
Nadia Louise Mahmood	Team Member	Gender	SEAS1
Nghi Quy Nguyen	Social Specialist	Social Risk	OPSEF
Richard Croad	Team Member	Operations	SEAS1
Rob Dingen	Team Member	Engineer	SEAS1
Extended Team			
Name	Title	Organization	Location



I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

Introduction

1. This Project Paper seeks the approval of the Regional Vice President to provide a grant in the amount of US\$7.3 million from the Papua New Guinea and Pacific Islands Umbrella Facility (PPIUF) Multi-Donor Trust Fund (MDTF) to Solomon Islands as Additional Financing for the Solomon Islands Community Access and Urban Services Enhancement (CAUSE) Project (P161320, IDA Grant, D292-SB). The proposed Additional Financing (AF) will scale up and refine successful components of the Project following the recommendations of the Project's Mid-Term Review¹ (MTR) allowing for an expansion of Project activities within the current geographical and resulting in an increase in the number of Project beneficiaries and households reached. As part of the AF, a Level 2 Project restructuring will be required to: (i) extend the closing date of the IDA Grant D292-SB under the Parent Project by 23 months, from May 27, 2022, to April 30, 2024, in accordance with the Solomon Islands Government (SIG)'s AF request; (ii) implement changes to Components 2 and 3 of the Project to allow for a more accurate representation of the activities being implemented, how they are measured and reflect scaling up of activities; and (iii) modify the Results Framework (see paragraph 24).

Country Context

2. **Novel Coronavirus 2019 (COVID-19).** From January 3 to July 29, 2021, there have been 20 confirmed cases of COVID-19 and no deaths.² Over 13,000 COVID-19 tests have been conducted for arrivals into the country.³ All positive cases were attributed to individuals returning from abroad. Solomon Islands remains under a State of Public Emergency (SOPE) since the declaration of the first SOPE on the 25th of March 2020. However, most restrictions on public movement have been relaxed based on Solomon Islands Government (SIG)'s recent assessment of the current risk level as being of 'low risk,' with public health and COVID-19 safety measures being implemented through Emergency Regulations for the purposes of public preparedness. Domestic travel has not been affected but international flights in and out of Solomon Islands are restricted to repatriation of Solomon Islanders, humanitarian and emergency workers, military personnel, and cargo, with mandatory quarantine upon arrival. Just under 5,000 people have been vaccinated under SIG's National COVID Vaccination Rollout as of April 2021.

3. The accompanying economic downturn and travel restrictions imposed due to COVID-19 have substantially depressed demand for labor, goods, and services, both in formal and informal economies. Illegal and roadside markets have been removed, impacting the livelihoods of workers in the informal economy, elevating social pressures. The COVID-19 pandemic has highlighted existing health sector and infrastructure gaps in the country. Higher levels of unemployment, Gender-Based Violence (GBV) and, in some cases, social unrest, have resulted together with vulnerabilities to food security. Should the situation continue, it is expected that vulnerable people, including those with limited education and opportunities for employment, such as youth, women, the elderly and disabled, will face a higher risk of being excluded from access to essential services, employment, and other support. Households in more densely populated

¹ Concluded on November 3, 2020.

² <https://covid19.who.int/region/wpro/country/sb>

³ National Disaster Council, National Situational Report 21, Ref: NSR21_04/21, April 12-26, 2021.



urban areas will inevitably fare worse as they rely on cash incomes and typically face greater health, social and economic risks.⁴

4. According to a *High Frequency Phone Survey* undertaken in June 2020,⁵ 57 percent of people reported reducing their food consumption, 48 percent had spent money from their savings, and 27 percent had increased their household debt by delaying loan repayments or making purchases on credit. In addition, the workforce had decreased by 10 percent since January 2020 with women more likely than men to have stopped working, both generally and specifically related to COVID-19. Workers with only primary or secondary education were also more likely to have stopped working compared to those with tertiary education. Certain sectors have also been more likely to see COVID-19 specific job losses, particularly construction and tourism. The two largest sectors of employment, agriculture and retail and trading, both showed net declines in employment between January and June, with about one-third of job losses being directly attributed to COVID-19 restrictions. There is also evidence that household income has fallen since June 2020. Of those still working in June, just over half were earning the same as pre-crisis levels and one-third were working for less or not being paid at all. Household enterprises have also been negatively impacted. Of the approximately one-quarter of households that reported operating non-farm businesses in 2020, nearly half have seen a decline in income in the month of June. This compares with the rural and agricultural sectors, where impacts have been limited, with more than 90 percent of respondents indicating they were able to work normally since the start of the crisis.

5. Formal social assistance or protection mechanisms are limited in Solomon Islands, there being only the Solomon Islands National Provident Fund (SINPF). Other types of benefits supported by SIG are training for the disabled, free basic education, and disaster assistance in the form of emergency relief programs.⁶ Most elderly, orphans, unemployed and destitute receive care from their relatives. Minor family or community disputes are also settled by traditional methods involving chiefs and community leaders. Therefore, going into this crisis, Solomon Islands lacked the established mechanisms to reach significant numbers of poor and vulnerable people across the country, to mitigate its adverse consequences on their wellbeing.

6. **SIG has taken key steps to counteract the pandemic.** In June 2020, SIG announced a support package for the economy, to tackle the domestic economic impact of global economic conditions from the pandemic and the local restrictions to limit the spread of COVID-19.⁷ The theme of the current 2021 Budget is *'Towards A Path to Economic Recovery: Advancing Growth and Service Delivery Through Better Partnerships.'* Protecting communities against the spread of COVID-19, keeping the economy afloat and accelerating recovery are among key priorities for SIG. To weather the COVID-19 crisis and support the most vulnerable people, SIG reprioritized expenditure toward health and economic relief measures; sought development partner grants and low-cost financing from development partners. However, the

⁴ Florida, R. (2020). The geography of Coronavirus, <https://www.citylab.com/equity/2020/04/coronavirus-spread-map-city-urban-density-suburbs-rural-data/609394/>, cited 20/05/20.

⁵ World Bank, Solomon Islands High Frequency Phone Survey on COVID-19, October 2020.

⁶ Asian Development Bank, August 2012. Solomon Islands: Updating and Improving the Social Protection Index. Regional—Capacity Development Technical Assistance (R—CDTA).

⁷ In June 2020, SIG announced a support package for the economy, to tackle the domestic economic impact of global economic conditions from the pandemic and the local restrictions to limit the spread of COVID-19. To weather the COVID-19 crisis and support the most vulnerable people, SIG has reprioritized expenditure toward health and economic relief measures; sought development partner grants and low-cost financing from Australia, ADB and the World Bank.



decline in services from the international development sector, tourism, forestry, and agriculture have had significant impacts on forecasted growth rates and the economy, in particular, affecting the poor and most vulnerable. They are at risk of bearing the brunt of the health, economic and social impacts of the crises as well as a longer road to recovery.⁸ The economy was reported to have entered a recession in 2020, with growth contracting by around 4.3 percent against a pre-COVID-19 projection of +2.5 percent.⁹ The contraction reflects a decline in log and fish output, delays in large infrastructure projects, and other impacts related to the ongoing travel ban and physical distancing measures particularly affecting Honiara and urban services sector.

7. **To strengthen SIG's response to the impacts of COVID-19, SIG requested IDA's support in preparing an AF to the CAUSE Project.** The AF will support SIG's COVID-19 response efforts by improving the delivery of essential services and cushioning the effects of the pandemic on the local economy and vulnerable populations. The approach will involve adopting a pro-poor strategy to stimulate inclusive growth and support the resilience and economic recovery of key urban and provincial centers.

Project Background

8. **Financing.** The CAUSE Project is financed through an IDA Grant (D292-SB) of US\$15 million equivalent. It was approved on April 2, 2018 and declared effective on July 17, 2018. The implementing agencies are Honiara City Council (HCC) and the Ministry of Infrastructure Development (MID). Under its original financing, the Project duration was four years and scheduled to close on May 27, 2022.

9. **Project Development Objective (PDO) and Components.** The Project's development objective is to improve basic infrastructure and services for vulnerable urban populations in targeted urban centers of the Recipient. CAUSE has four components¹⁰: (i) Urban Works & Services (US\$6.8 million), of which there are two subcomponents: (a) Community Access Infrastructure; and (b) Community-Based Waste Management Services; (ii) Road Maintenance and Repair (US\$4.4 million), of which there are two subcomponents: (a) Community-Based Road Maintenance; and (b) Community-Based Road Improvement and Rehabilitation; (iii) Infrastructure and Service Delivery Training (ISDT) (\$1.5 million); and (iv) Project Management (US\$2.3 million). The project currently operates in Honiara City, the peri-urban areas of Guadalcanal Province, Auki in Malaita Province, and Gizo, Noro, and Munda in Western Province. Together, these represent more than 60 percent of the country's entire population.

10. **Project Performance.** The Project's progress towards the achievement of its PDO and implementation progress is rated as *Satisfactory*. This is evident based on the intermediary results reported by the implementing agencies¹¹ and findings from the First Follow-Up Survey (FUS).¹² The results confirm at mid-term that the Project is on track to meet four out of five PDO level indicators; and is only tracking marginally below for the fifth indicator. Key examples of reported outcomes at the MTR include:

⁸ Chartres, C. (2020). COVID-19: food, nutrition and the global poor, <https://devpolicy.org/covid-19-food-nutrition-and-the-global-poor-20200417/>, cited 13/05/20.

⁹ Island Sun, Viewpoint, July 10, 2021 (page 7).

¹⁰ The Component costs estimated are current based on expenditures to date as distinct from the estimates provided at Appraisal.

¹¹ Quarterly Progress Report for End September 2020.

¹² Follow-Up Survey Results and Analysis, October 2020.



- 11,738 households of the targeted 15,000 at end-line (78.3 percent) have reported benefits from improved access to infrastructure, services, or markets;
- 53,325 individuals in project areas of the targeted 84,000 (63.5 percent) at end-line have reported benefits from improved access to infrastructure, services, or markets;
- 2,881 beneficiaries of skills training and job-focused interventions of the 5,300 targeted number at end-line (54.4 percent) have been engaged, of which 53 percent are women and 48 percent are youth);
- 54 percent of beneficiaries from poor communities are ranked as “highest priority” in the vulnerability index compared with an end-line target of 60 percent (90 percent); and
- 89.6 percent of beneficiaries that report that the project investments reflected their needs, exceeding the end-line target of 70 percent.

11. In addition, the Project as of end March 2021, has: (i) generated almost 175,000 person-days of work, 83.7 percent of the intended end-line target of 209,000 with each participant working an average of 48 days or receiving SBD3,062 (US\$382); and (ii) transferred a total of SBD10,784,000 (US\$ 1,348,000 million) in wages. The Project has also been efficient in meeting disbursement targets. As of July 30, 2021, the Project has disbursed approximately 11.5 million (77 percent) of its IDA financing envelope of US\$15 million. There are currently no outstanding audit reports for the Project and the Recipient has complied with all legal covenants under the Financing Agreement for the Parent Project.

12. **Youth, Gender and Disability Inclusion.** The Project continues to make very good progress on the engagement of women and youth in activities. Of the 3,522 people engaged in work activities, 49 percent are women and 51 percent youth. The Project takes a multi-pronged approach to address gender barriers and gaps faced by women in Solomon Islands with respect to education, learning and training opportunities, the labor market and gender-based violence in the workplace and at home.¹³ Approaches are:

- *First*, gender targeting indicators are built into the Project design and evaluation processes which are actively monitored and reported on, including at least 50 percent women (and youth) participation in training and works activities and at least 50 percent of women from project areas reporting improved access to infrastructure, services, or markets. This target is very ambitious compared with the 2013 Household Income and Expenditure Survey (HIES) findings,¹⁴ where women represented only about two percent of those employed in the construction sector. While the Project has clearly encountered challenges in recruiting women for construction and maintenance activities in road works (Component 2), the results are much higher for waste management and public works activities under Component 1. Specifically, Urban Works and Services activities consists of 30 percent women and 52 percent youth participation, while Waste Collection works activities consists of 62 percent women and 50 percent youth participation. All Component 1 works activities include Team Leaders who receive higher pay and have increased

¹³ According to the Solomon Islands Family Health and Safety Survey, 64 percent of women aged 15-29 years report experiencing physical and/or sexual abuse from an intimate partner in their lifetime (SPC 2009). This violence is unrelated to the age, education, employment, income, and marital status of women. Studies of a private company (SolTuna) identified GBV as a major factor linked to women’s high level of absenteeism and turnover (IFC 2016), and as a result the Waka Mere Commitment to Action has supported corporate employers to develop and implement strategies on women in the workforce, including GBV (IFC 2019).

¹⁴ <https://www.statistics.gov.sb/statistics/demographic-statistics/household-income-and-expenditure-surveys>



levels of responsibility and reporting on project sites. An analysis of leadership indicates that more than half (53 percent) of Team Leaders overall are women as of end March 2021. This includes an exceptional 19 percent women Team Leaders in infrastructure sub-projects and 60 percent in waste collection. In addition, although Post-Training Support Services (PTSS) are available to all CAUSE participants, it includes targeted support for women. For instance, the majority (81 percent as of end March 2021) of the users of the Counselling and Gender-Based Violence (GBV) Referral Services are women, and they are provided with individual and confidential basic counselling on issues that impact their lives and livelihoods and are provided with referrals to relevant service providers and GBV support services. The PTSS Information Skills Training includes specific sessions for women, such as Health, Counselling and Family Support Services, Marketing and Income Generation and Financial Literacy and Savings. Lastly, at an institutional level, the Project has adopted a *Domestic Violence Policy and Sexual Harassment Policy* to ensure staff are working in a safe and respectful environment.

- *Second*, the Project proactively includes People with Disabilities (PWD). In October 2019, the Project adopted 18 Gender and Disability Inclusion recommendations (4 of which were specifically for disability inclusion), which resulted from the Umbrella Facility for Gender Equality-financed research, *Enhancing the Economic Participation of Vulnerable Young Women in Solomon Islands Study*.¹⁵ The adopted recommendations included: liaising with disability organizations to encourage PWD to join CAUSE where possible; incorporating messaging encouraging PWD to join CAUSE into community outreach strategies and communication brochures; use communication and social networks (such as church and sports) to spread messages to community leaders and PWD to join the project; and providing translation services for people with speech/hearing impediments during training if required. The Literacy training is also adapted and extended as needed to allow those in the “slow learner” category to successfully complete the training. Disability considerations are also built into the design of infrastructure where possible such as building sidewalks, installing hand-railing on Jacobs ladders, ramp access for footbridges and ablution blocks, and building larger toilets with rails to cater for wheelchair access.
- *Third*, the Project has targeted programs and services designed to support the specific challenges and needs of women. This includes the Literacy and Numeracy Training which began as a pilot partnership with the Literacy Association of Solomon Islands (LASI) in response to the learning barriers faced primarily by women in the ISDT, resulting in training 131 participants, of which 83 percent were women (at end March 2021). The certification process utilizes a pre- and post-training test that has been developed by LASI and is recognized by the Adult Literacy Development Association in Solomon Islands.

13. **Other Impacts.** The Project’s impacts, to date, have been assessed through regular monitoring of output data (as described above) in addition to the recent FUS,¹⁶ which was completed in June 2020¹⁷ and an economic analysis, which was conducted at appraisal and identified two main areas of benefits from the project: infrastructure improvement and training and employment benefits. Improved access and other community infrastructure investments have contributed to improved economic activity. The

¹⁵ The Study was implemented by the World Bank in partnership with the Project.

¹⁶ Follow-Up Survey Results and Analysis, October 2020.

¹⁷ Responses were gathered from 297 project beneficiaries of which 63.6% were women and 36.4% were men.



provision of connective infrastructure including Jacob's ladders (23.5 percent) and roads (20.5 percent), footpaths and walkways (19 percent), and cleaning of roads etc., (17.5 percent), were viewed as being essential for economic productivity to facilitate access for community members to access employment, markets and town. In the community FUS, 84 percent felt that the improved access infrastructure had a positive impact on safety for pedestrians. In addition, the FUS survey results show that formal employment in the FUS had increased significantly with less than one percent reporting any employment at baseline and almost 10 percent reporting being in paid employment at the FUS. Employment was primarily in the private sector and with seven percent of respondents reporting that they had registered a new business. Social benefits included improved confidence in feeling adequately skilled for formal employment. Although almost 90 percent of participants felt prepared for informal work at the baseline study, only 60 percent felt prepared for formal work. This had increased to 87 percent by the FUS. The largest increase was observed in adult women, increasing from 52 to 86.2 percent.

14. **Project's COVID-19 Preparedness and Response.** In June 2020, the Project was able to support COVID-19 response efforts and address new issues raised by the Covid-19 pandemic. The ISDT's Health and Hygiene module was updated in collaboration with the Ministry of Health and Medical Services (MHMS) to reflect their national guidance on COVID-19; and new health and safety protocols were developed under the *COVID-19 Preparedness and Response Plan*, which largely adopts the World Health Organization (WHO)'s *Guidance on Preparing Workplaces for COVID-19* (including its Occupational Health and Safety Guidelines)¹⁸ and the International Labor Organization's guidelines on *Adjusting Labour Practices in Employment Intensive Works in Response to COVID-19*.¹⁹ An increase in public works activities was accomplished by: bringing forward training, infrastructure, and waste cleaning activities that had already been identified for implementation in 2021; and undertaking additional parallel financing arrangements and investments with SIG that were not envisaged in the original workplan but responded to an emerging demand brought about by COVID-19 that was articulated through the National Disaster Management Office, Ministry of Finance and Treasury and MHMS. The additional investments fell within the project scope and represented a significant increase in the volume of work overseen by the implementing agencies, in the order of about US\$1.2 million in total.²⁰

15. The types of emergency preparedness and response activities have included regular cleaning and sanitizing of public spaces, rehabilitation of the Kukum Market, the second largest market in Honiara to help decongest the main Central Market, construction of quarantine centers and related facilities in Nusatupe and Noro, and training of workers and communities on COVID-19 symptoms and prevention measures. The Project also implemented other investments with development partners such as New Zealand's Ministry of Foreign Affairs and Trade (MFAT) and UN WOMEN that was coordinated through the Provincial Government and with private sector organizations, such as SolTuna, which helped deliver transport and economic infrastructure and create short-term job opportunities for residents.

Rationale for Additional Financing

16. **AF Request.** The World Bank's Country Director for PNG and the Pacific Islands received an AF

¹⁸ <https://www.osha.gov/Publications/OSHA3990.pdf>

¹⁹ International Labor Organization's guidelines on *Adjusting Labour Practices in Employment Intensive Works in Response to COVID-19*, April 12, 2020.

²⁰ This includes approximately US\$170,000 in SIG financing for materials.



request from SIG on October 5, 2020. The AF also responds to at least two of three focus areas outlined in the Bank's Country Partnership Strategy for the period FY2018-23, promoting inclusive and sustainable growth, and managing uneven development. The AF also supports IDA's COVID-19 strategy for 'Saving Lives and Livelihoods while Supporting Green, Resilient and Inclusive Development.' The AF supports at least two pillars (protecting poor and vulnerable people; ensuring job creation) utilizing a well-functioning system to provide timely COVID-19 response to priority urban areas. The benefits of processing the AF are: (i) the ability to provide a rapid response to COVID-19 impacts by scaling up project activities. The Project has demonstrated its ability to spend allocated funds efficiently and absorb additional funding through parallel financing arrangements with SIG and various development and private sector partners; (ii) consolidating systems and gains by building on existing implementation arrangements to optimize the project's administrative and operational efficiency, compared to preparing a new Investment Project Financing (IPF) operation; (iii) lowering preparation and operating costs; and (iv) allowing for an immediate start date utilizing staffing from the Parent Project.

17. **Project Scale Up.** Given the satisfactory performance of the Project, the AF will scale up activities for poor and vulnerable communities in existing geographic locations that are disproportionately affected by COVID-19 and accompanying economic downturn. The downturn in the economy is expected to have a long-term impact on local economic development. The Project's objectives and design continue to be relevant and effective in addressing the persistent and high levels of social vulnerability, which are exacerbated with the COVID-19 pandemic. The AF also presents an opportunity to refine, strengthen and expand existing activities with additional resourcing.

18. **Alignment with SIG's Strategy.** The AF will be closely aligned with the medium-term measures outlined in SIG's *Economic Stimulus Package to Address the Impacts of the COVID-19 Pandemic*,²¹ which includes: (i) the adoption of a pro-poor strategy to stimulate inclusive growth and boost aggregated demand, supporting the stability and resilience of urban communities and contributing to the economic recovery of the local economy; (ii) prioritizing the use of pro-poor labor intensive methods in the infrastructure sectors to shore up employment opportunities, targeting most vulnerable segments of society to provide immediate relief to economic distress; and (iii) front-loading development programs in addition to the roll-out of COVID-19 prevention and preparedness efforts. In addition, the AF will complement the priorities and actions specified in SIG's *Democratic Coalition Government for Advancement ("DCGA") Policy Redirection*,²² which lays out plans to address constraints to growth and prioritizes investments in the productive and resource sectors. In accordance with the DCGA Policy, the AF will focus on: (i) Strengthening SIG's COVID-19 response and mitigation strategy [5.1.2 (e)] by improving the delivery of essential services (e.g., renovation of quarantine sites, cleaning, and sanitizing of public spaces etc.) and cushioning the effects of the pandemic on the local economy and vulnerable populations; and (ii) Promoting investment in strategic economic infrastructure to support growth and development [5.1.5 (e)]. In keeping with the aspirations set out in the DCGA, the AF will also enable SIG to: (a) protect the most vulnerable and bolster their economic resilience through investments made in economic and transport infrastructure; and (b) improve access and connectivity to and from and within the Solomon Islands and the delivery of essential services and connective infrastructure that will help to enhance economic growth opportunities and optimize major tourism investments.

²¹ Solomon Islands Government Economic Stimulus Package to Address the Impacts of the COVID-19 Pandemic, June 2020.

²² Draft Democratic Coalition Government for Advancement Policy Redirection, Policy Statements & Matrix, January 2021.



19. The risk of not granting the AF is that poor and vulnerable groups in five Project locations (representing more than 60 percent of the country's population) will not receive adequate and timely support. If the operation were to be prepared as a new project, new procedures and policies would apply, which would considerably slow the response to COVID-19. Moreover, IDA and the SIG have a strategy for the consolidation of IDA's portfolio, which limits the preparation of multiple new projects.

II. DESCRIPTION OF ADDITIONAL FINANCING

20. The AF will scale up existing project activities and support SIG's COVID-19 response and recovery efforts. However, the Project's fiduciary, implementation arrangements and Development Objective (PDO) will remain unchanged. For Component 1, HCC will lead the subproject planning and implementation of all community access infrastructure and waste management services through the Department of Works in coordination with the Guadalcanal (GPA), Malaita (MPA) and Western (WPA) Provincial Authorities.²³ Similarly, HCC will be responsible for the ISDT (Component 3) through its Department of Youth, Women, and Sports. For Component 2, MID will lead the subproject planning and implementation road maintenance and improvement activities through its Office of the Director of Transport Infrastructure Management Services in coordination with GPA, MPA and WPA. By building and expanding on the existing project design, the AF will enable the continuation and scale up of project activities for poor and vulnerable communities in existing geographic locations that are being disproportionately affected by COVID-19 and the accompanying economic downturn.

21. The AF will expand and widen the reach of the Project's training and public works in the existing Project locations by supporting vulnerable communities, including those that have not yet benefited from the Project. It will: (i) support activities through provision of community grants by HCC and MID, respectively, to community groups, and provide training and income-generating opportunities for poor urban groups; (ii) stimulate economic activity in the capital city, towns, and peri-urban areas; and (iii) help ensure social stability. The engagement of community members and groups at the provincial level could be important to mitigate potential political and governance risks stemming from these existing center-provincial tensions. The AF will effectively provide consumption support and short-term temporary employment for individuals who: (i) may not otherwise have any other opportunities for employment; (ii) have lost their jobs; and/or (iii) supplement incomes for individuals in the informal sector whose livelihoods may have been disrupted, including small vendors such as food and beetle nut sellers whose livelihoods have been depressed or curtailed due to COVID-19 restrictions. The scale up in work will be accomplished by increasing the number of training and short-term job opportunities in the infrastructure and waste cleaning sectors and responding to emerging infrastructure and service delivery demands brought about by COVID-19.

22. The types of COVID-19 emergency preparedness and response activities to be financed under the AF will fit under the existing project design and geographic scope. Under Component 1, COVID-19 specific investments will include the regular cleaning and sanitizing of public spaces, the construction of hand washing stations in public spaces, the rehabilitation of satellite markets and markets stalls to help decongest the main markets, the renovation of essential small-scale infrastructure such as quarantine

²³ A Participation Agreement between MID, HCC and the Provincial Governments was executed under the Parent Project and will apply under the AF. HCC and MID will revise and update the Agreement once the AF is approved.



centers and related ancillary facilities/infrastructure (e.g., laundry facilities, toilets and bathrooms, guard house etc.). Under Component 2, COVID-19 specific investments will include the rehabilitation and maintenance of critical access roads to clinics, quarantine centers and hospitals. Under Component 3, the AF will train workers and communities on key COVID-19 symptoms and prevention measures, and the provision of additional literacy and numeracy training for highly vulnerable participants who have limited literacy skills. Apart from the COVID-19 specific interventions, the AF will continue to support ongoing training, infrastructure and service delivery activities in all locations and will expand the climate resilient spot improvements investments and literacy and numeracy development training in the Malaita and Western Provinces. The scale up of these investments will be effective in stimulating local economic activity, augmenting incomes, building the resilience of communities to climate change, and providing essential services and benefits to participants and communities, at large. COVID-19 sensitive measures, such as physical distancing, the use and disposal of Personal Protective Equipment (PPE) and monitoring and response protocols will also be applied to all subprojects and operations in accordance with the Project's *COVID-19 Preparedness and Response Plan*.²⁴

23. **Expected Outcomes.** The AF will allow for a further 3,100 participants to be engaged in the ISDT and works activities, representing an increase in beneficiaries of 58 percent, bringing the total number by Project closing to 8,400. The AF will generate an estimated 133,100 additional labor days,²⁵ bringing the Project's total to approximately 370,000 labor days.²⁶ The total number of households to benefit is also expected to increase from 15,000 (and 84,000 people) across the six Project locations to 18,000 households (and 103,680 people²⁷) due to increased Component 1 activities and the expansion of Component 2 activities in the provinces. Relatedly, there will be increases in the Project's targets related to individuals benefiting from the literacy and numeracy training, which will be increased from 250 to 850 as well as Post Training Support Services from 1,500 to 2,500.

24. **Theory of Change (TOC).** A TOC was not required in the original Project Paper. While the PDO remains unchanged, the TOC behind the original Project and the AF is depicted in Diagram 1. The design seeks to effect change in four areas: (i) developing community level infrastructure that includes: safe, climate resilient, pedestrian access infrastructure that will link communities to motorable roads and to other markets and services as well as COVID-19 related infrastructure and services; (ii) the restoration, improvement and maintenance of tertiary roads in order to consolidate a network of transportation links for communities. This includes ongoing maintenance of selected sections, usually preceded by restoration or improvement of critical sections to provide improved longevity and climate resilience; (iii) waste management services in urban areas and beautification of selected locations. This is intended to raise the standard of basic services expected, generate a sense of community ownership, and support certain types of economic activity such as tourism; and (iv) through the provision of training, work experience and short-term income from community contracts for the small-scale infrastructure and waste management services, enhance skills and opportunities for participating in income-generating activities, for Project beneficiaries. In addition to the basic training designed to prepare participants for work on the Project,

²⁴ COVID-19 Preparedness and Response Plan, November 2020.

²⁵ This is the difference between the original target and new target involving reallocation of contingency funds (which equates to approximately 29,000 labor days) from the Parent Project.

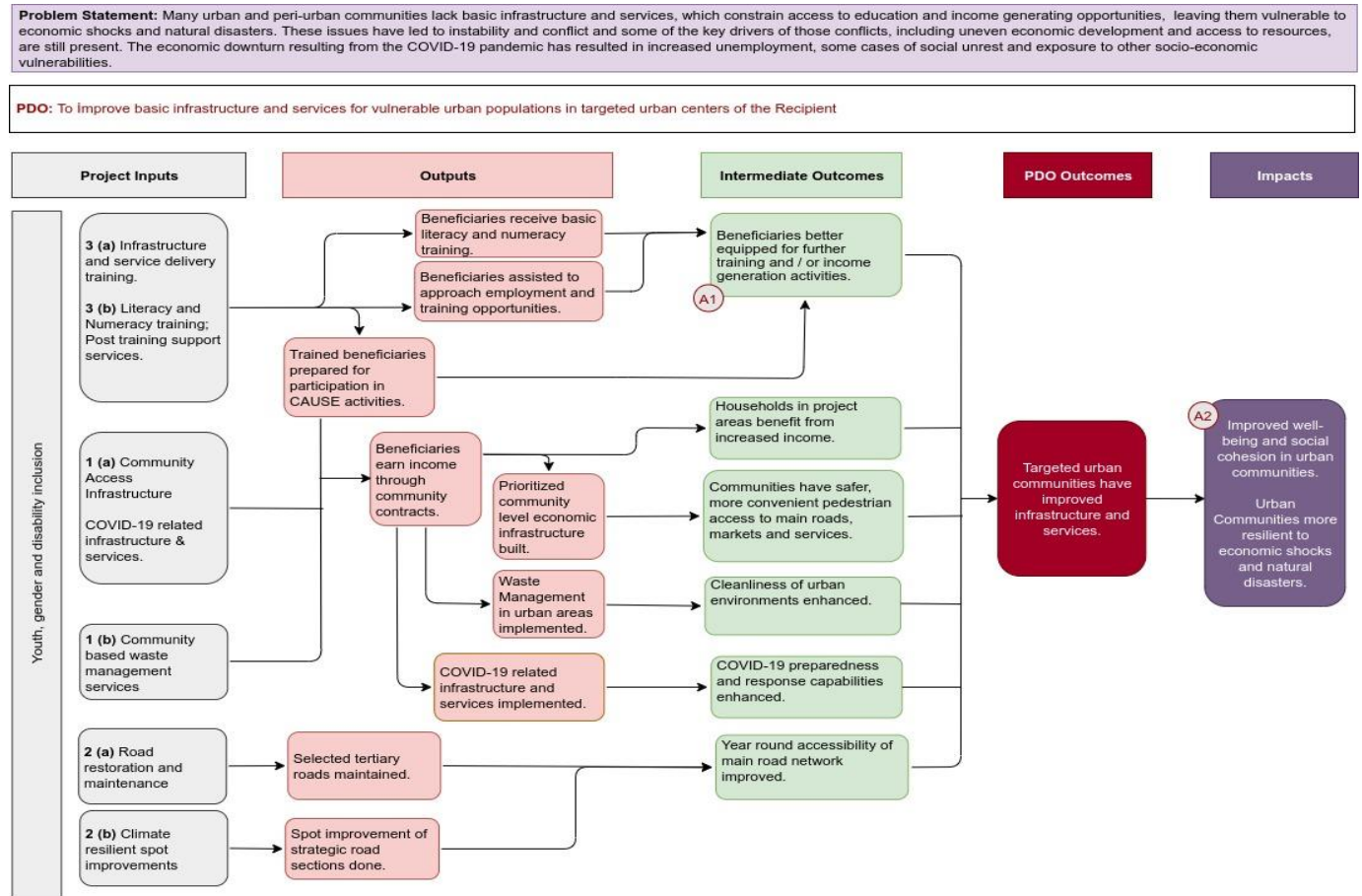
²⁶ A further 28,000 comes from drawing down the contingency in the IDA funding.

²⁷ The estimated number of people per household is 5.75 extrapolated from the 2019 National Population and Housing Census. https://www.statistics.gov.sb/images/SolomonFiles/Social-and-Demography/Statistics/2019_National_Population_and_Housing_Census/Provisional_Count-2019_Census_Result.pdf



numeracy and literacy training and the post training support services are designed to prepare them for employment beyond the project. Youth, Gender and Disability inclusion remains a theme across all project activities and is designed both to influence attitudes as well as to ensure balance within the Project.

Diagram 1: Theory of Change



25. There are two critical assumptions underlying the Theory of Change, indicated as A1 and A2 in the diagram. A1: That training, and support services are suited to the available opportunities for income-generation; and A2: That infrastructure, especially roads and services such as waste management, are sustained and continue beyond the life of the project, and that overall economic conditions remain stable. The relationship of project inputs to sub-components in the diagram are indicated by the corresponding sub-component numbers.

26. **Building the Resilience to Climate Change and Adaptation.** Climate change affects communities in all Project locations. Increasing urbanization partly contributes to exposure and vulnerability of people and assets. Growing informal settlements with inadequate and sometimes dangerous access provisions, poor structural buildings, poor or non-existent sanitary facilities, increasing volume of solid waste, high unemployment rate and increasing demands for the provision of basic services exacerbate climate change risks and related impacts. The AF will help to address the climate vulnerability of communities by: (i)



delivering basic infrastructure, waste cleaning, sanitation facilities and lifting access bottlenecks for pedestrians and road users, prioritizing vulnerable communities, such as coastal communities and communities that are limited to steep and dangerous access routes; (ii) incorporating risk resilient planning of interventions that addresses hazard and climate risks, particularly communities at risk of being exposed to sea level rise, flooding, cyclones and landslides and targeting access interventions that support evacuation, facilitate emergency relief operations during disaster events (e.g. flooding) and post-disaster recovery efforts); and (iii) introducing climate resilient investments that adopt environmentally friendly designs and ensure efficient and cost-effective (low frequency) maintenance, prolonging infrastructure sustainability, including the strengthening of existing infrastructure. In addition, health risks associated with the increasing volume of solid waste is an important concern in urban areas. Segregation of non-biodegradable wastes (particularly plastics and aluminum) and bringing it to recyclable levels with the assistance of processing partners working on the recycling of plastics will be an important step forward for the Project. SIG and municipal authorities recognize this to be an urgent concern that needs to be mitigated as part of its mandate in the process of providing basic services and promoting resilience.

27. **Description of Proposed Restructuring Changes.** The AF will also include a Level 2 restructuring as described in paragraph 1. The restructuring will: (i) extend the closing date of the IDA Grant D292-SB under the Parent Project by for 23 months from May 27, 2022, to April 30, 2024, in accordance with SIG's AF request; (ii) revise the name and description of Component 2 of the Project to allow for a more accurate representation of the activities being implemented and how they are measured in the Results Framework. This will involve revising the name of Subcomponent 2(a) from 'Community-Based Road Maintenance' to 'Road Restoration and Maintenance,' and Subcomponent 2(b) from 'Community-Based Road Improvement and Rehabilitation' to 'Climate Resilient Spot Improvements²⁸,' and revising the description of the subcomponents to reflect an geographic extension of the Project under Subcomponent 2(b) to include targeted urban and peri-urban locations in Honiara City and the Guadalcanal, Malaita and Western Provinces; (iii) revise the name and description of Component 3 of the Project to reflect a scale up and expansion of the basic literacy and numeracy pilot training to include Honiara City and targeted urban and peri-urban locations in Guadalcanal, Malaita and Western Provinces as well as the post-training support services. This will involve amending the name of Component 3 from 'ISDT' to 'Training and Support Services' and creating a new Subcomponent 3(b) to reflect such scaling up of activities; and (iv) modify the Results Framework to align with the extension of the closing date and expanded scope, including updating certain end of project target values, amending certain indicators, and introducing new intermediary results indicators to improve and quality of performance reporting. Details of the proposed revisions to the Results Framework are given in Section VIII, but in summary are:

- a. Indicators expressed as percentages such as the gender and youth proportions (currently 50%) and indicators measuring satisfaction or relevance of project interventions, also expressed as percentages, remain mostly unchanged. An exception is the indicator which measures the prioritization of vulnerable communities. The target will be reduced from 60% to 50%, following the MTR, which noted that the current target was too narrow and excluded vulnerable

²⁸ Spot improvements relate to specific sections of roads, outside of sections under 2(a), involving capital upgrades to reconstruct part of the road to improve a weakness, or repair damage, to bring the complete road into a uniform state. Typical works include pavement upgrades and climate adaptation measures to make it climate resilient or environmentally friendly through the construction of side drainage and culverts.



communities that resided just outside of the targeted boundaries, thereby limiting the potential for wider impact.

- b. The measurement unit and presentation of a few indicators will be amended to strengthen the quality of reporting. This includes the second PDO level indicator: ‘Individuals from project areas reporting improved access to infrastructure, services or markets,’ which will change from a Number to Percentage. The indicator for road maintenance: ‘length of roads maintained (km) is changed to ‘Cumulative length of roads restored and maintained annually (km x years)’ to better reflect the extent to work undertaken. Three new intermediary results indicators are also proposed: ‘Financial progress of road restoration and maintenance’ and ‘Financial progress of spot improvement works.’ Both indicators will be measured against the overall planned outputs. In addition, ‘Participants who acquire Level-I literacy skills,’ expressed as a number to measure literacy achievement, including the percentage of women acquiring the same.
- c. The indicator stating the ‘Length of roads rehabilitated or improved to climate resilient standards’ will be changed to ‘Length of roads improved to climate resilient standards.’ The amendment will enable the team to measure the full length of road that is improved to a ‘maintainable’ condition through spot improvements, rather than just the length of the improvement works, and the target adjusted accordingly.
- d. Two indicators will be deleted. ‘Contractors’ staff trained, is no longer relevant, given several years of experience that contractors have gained working with the former Rapid Employment Project (REP) and CAUSE, although guidance and mentoring of contractor staff during implementation will continue. The percentage of ‘Women accessing counselling services’ is also removed as this is not a specific targeted outcome of the Project. However, gender disaggregated data will continue to be collected in the CAUSE Information Management System (CIMS).

28. **Additional Financing Costs.** The AF will increase the Project’s financing by approximately US\$7.3 million, updating the Project’s total financing to approximately US\$22.3 million. The AF is supported by IDA as the administrator of the PPIUF MDTF. To date, the Government of Australia represented by the Department of Foreign Affairs and Trade (DFAT) is the only donor to the MDTF. The sources of financing are shown in [Table 1](#).

Table 1: Project Financing Plan

Source	Original		With Additional Finance	
	Amount (US\$ million)	Share of Total (%)	Amount (US\$ million)	Share of Total (%)
IDA	15.0	100		67
PPIUF MDTF (AF)	0	0	7.3	33
Total	15.0	100.0	7.3	100.0

**Note: Note that the IDA currency is SDR and the \$US amounts are the approximate US\$ equivalent at the time Negotiations.*

29. The Parent Project, the AF, and changes to the total allocations for each component (including contingencies) are shown in [Table 2](#).



Table 2: Summary of Parent Project, AF, and Total Budgets by Activity (including contingencies)

Component		Financing (US\$'000)		
		Parent*	AF	Total
1	Urban Works and Services	6,793	2,964	9,757
	a. Community Access Infrastructure	5,181	1,959	7,140
	b. Community-Based Waste Management Services	1,612	1,005	2,617
2	Road Maintenance and Repair	4,389	3,350	7,738
	a. Road Restoration and Maintenance	3,514	1,377	4,891
	b. Climate Resilient Spot Improvements	875	1,972	2,847
3	Training and Support Services	1,556	730	2,285
	a. Infrastructure and Service Delivery Training	1,522	528	2,050
	b. Literacy and Numeracy Development and Post-Training Support Services	33	202	235
4	Project Management	2,262	257	2,519
Totals		15,000	7,300	22,300

*Note: Note that the figures quoted on the Parent Project are based on expenditures and estimates to date, which vary from the estimates quoted at appraisal.

30. **Processing Arrangements and Policy Waivers.** IDA management has approved the processing of the proposed AF in accordance with Paragraph 12 of Section III of IDA’s IPF Policy on the basis of the country’s fragility and emergency response to COVID-19, which will allow for the use of condensed procedures and require the application of IDA’s *Mandatory Direct Payment*, which is consistent with the Parent Project. In addition, a waiver of the ESF, the Environmental and Social Directive for IPF, and the Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups was granted by the Operations Policy and Country Services (OPCS) on December 4, 2020. Further to this, an exception to the Expiry of Waivers for Use of AF under Safeguard Policies to Scale-up Ongoing Pre-ESF Investment Project Financing Projects was granted by the OPCS Vice President on May 17, 2021.

31. **Component Description.** The AF activities, estimated costs,²⁹ and implementation arrangements are summarized as follows:

32. **Component 1: Urban Works and Services (‘UWS’, estimated at US\$3.0m).** The AF will scale up the UWS implemented by HCC in coordination GPA, MPA and WPA. The AF will stimulate local economic activity in urban areas impacted by the economic downturn because of the COVID-19 restrictions, through the engagement of community groups and contractors through sub-grants to build basic pedestrian infrastructure and provide waste management and cleaning services, generating a further total of approximately 115,700 labor days. To support the scale up, contracts of existing project staff will need to be extended. Engineering and works supervision capacity will also need to be augmented in the Project Implementing Units (PIUs), especially in Auki. These costs are expected to be borne by the Parent Project. However, the AF will support the logistics of supervision and to procure some small earth-moving and construction equipment such as a pedestrian compactor and a small excavator. Specifically, for Western

²⁹ Figures quoted have been rounded to the nearest decimal place.



Province, a dump truck is proposed to facilitate transport of waste to the dump site. The two subcomponents will remain unchanged and include:

33. Subcomponent 1(a): Community Access Infrastructure (estimated at US\$2.0m) will improve community access and connectivity to basic social and economic services. The AF will finance climate resilient pedestrian infrastructure such as concrete steps (Jacob’s Ladders), footpaths, small bridges, swamp crossings, and drainage improvements—all of which also help to provide safe passage for communities in the event of natural hazards such as tsunamis and floods. The AF will also finance the Project’s expansion to include connective infrastructure that facilitates a modal shift from water to land transport that will benefit communities, such as boat landings, jetties and wharfs, and air to land facilities in addition to public space improvements such as solar lighting, landscaping and the beautification of the main town areas. These investments will help to generate climate co-benefits and accommodate improved market access, promote domestic tourism and put the urban centers in a good position to transition to a ‘back-to business’ scenario for when international tourism resumes. The AF will include provisions of access and safety for people with reduced mobility, such as handrails, wheelchair ramps, resting places, and fences.

34. Subcomponent 1(b) Community-Based Waste Management Services (estimated at US\$1.0m) will improve solid waste management service delivery for urban residents. It will allow for a further 28,000 cubic meters (m³) of waste to be collected. The AF will support SIG’s response to the COVID-19 crises by allowing for the safe and regular cleaning of schools and public spaces and markets, which is expected to support improved health and hygiene. Activities include the collection, recycling, and increasing awareness about waste and COVID-19 prevention measures; and ensuring garbage collection integrates with the other back-end services supported by the provincial authorities, such as the transport and disposal of waste at landfills. As with the Parent Project, community groups engaged under task-based contracts will cover defined geographic areas and tasks. The waste management services will be tailored to the needs of each urban center and its specific physical and social-economic environment. Typically, each group involves about six people carrying out waste management services over a 40-day period. COVID-19 sensitive measures, such as physical distancing, the use and disposal of Personal Protective Equipment (PPE) and monitoring and response protocols will also be applied to all subprojects and operations in accordance with the project’s *COVID-19 Preparedness and Response Plan*.³⁰

35. **Component 2: Road Maintenance and Repair (estimated at US\$3.3m)**. The AF will scale up the Road Repair and Maintenance implemented by MID in coordination with GPA, MPA and WPA. As under the Parent Project, the AF will continue to engage small to medium sized contractors in the implementation of civil works covering road maintenance, and spot improvements, generating a further 17,400 labor days. It will also include provisions to assist small contractors to bid and organize their work and provide guidance, on-the-job training and supervision to contractors and staff, engaged in the provision of labor under this component. However, for works in the provinces, implementation will follow the same arrangements under Component 1, which has also proven to be effective in ensuring gender inclusion. Therefore, instead of outsourcing works to small contracting entities, MID will directly engage community groups in the implementation of works on access roads in their own communities. Given the project’s experience to date, and due to the rapid level of deterioration of road segments due to weather, final inclusions of road segments can only be decided on during preparation of works packages just before

³⁰ COVID-19 Preparedness and Response Plan, November 2020.



tendering. To support the scale up, additional short-term Technical Assistance (TA) will be engaged to support the Resident Works Supervisors.

36. Subcomponent 2(a): Road Restoration and Maintenance (estimated at US\$1.4m) will finance the continuation of road restoration and maintenance in Honiara City and Guadalcanal Province. It will allow for a total effective length of approximately 83 km of road length (a further 25km under the AF) to be brought under recurrent maintenance. As under the Parent Project, the work will be implemented by small contractors through annual civil works contracts on tertiary access road links, keeping these connections in all-weather motorable condition and warranting 'last-mile' accessibility from the residential areas to the main road network. However, due to backlog maintenance, poor original construction, and harsh weather conditions, most roads are not in maintainable condition to start with and therefore need to be restored to a level at which maintenance has effect. In most cases this requires 'periodic' maintenance such as reshaping of camber and clearing of drains and providing a new wearing course. Where there is need for more intensive interventions to lift specific access bottlenecks, these will be financed under Subcomponent 2(b).

37. Subcomponent 2(b) Climate Resilient Spot Improvements (estimated at US\$1.9m) will be expanded under the AF and Parent Project to targeted urban and peri-urban locations in Honiara City and the Guadalcanal, Malaita, and Western Provinces. It will repair, rehabilitate, and improve infrastructure to remove specific bottlenecks on roads, to create and sustain uniform year-round accessibility for a total effective length of approximately 14.1km (a further 5.4km). It will strengthen the road durability to withstand impacts from increased intensity of weather events caused by climate change. Typically, this includes the construction of concrete pavements on steep sections, improving drainage systems, improving protection against erosion, and providing cross drainage structures. As under the Parent Project, implementation of this work will be outsourced to contracting firms in Honiara and Guadalcanal Province. In the Malaita and Western Provinces, MID has been given a waiver from Cabinet to engage workers through community grants with direct supervision from the PMU and PIUs.³¹

38. **Component 3: Training and Support Services (estimated at US\$0.7m)**. The AF will scale up the Infrastructure and Service Delivery Training, implemented by HCC in coordination with MID, GPA, MPA and WPA. The component, under both the Parent Project and the AF, will now be organized into two subcomponents: 3(a) Infrastructure and Service Delivery Training (ISDT), and 3(b) Literacy and Numeracy Development and Post Training Support Services (PTSS). To support the scale up, additional trainers and training support assistants will be engaged in Auki, Gizo, and Noro/Munda.

39. Subcomponent 3 (a): Infrastructure and Service Delivery Training (estimated at US\$0.5m) will provide life and job skills training for a further 3,100 individuals from targeted urban communities. It will increase the overall project target to 8,400 direct beneficiaries. The ISDT consists of a seven-day life and job skills training that is delivered to community members from targeted locations and will be implemented by the HCC. The ISDT will strengthen their basic life and job-readiness skills and increase their capacity to benefit from labor-based activities funded by the project, generating a further 21,700 training days. ISDT supports the registration, collection of socio-economic data, orientation of participants and the set-up of new bank accounts for individuals who do not already have one in partnership with the

³¹ C14[2021]2 dated 29 April 2021. SIG Cabinet Decision Approved 10 May 2021.



Bank of South Pacific (BSP) Ltd. The training curriculum includes *inter-alia*: basic life skills; occupational health and safety; basic numeracy; health and hygiene with a specific focus on COVID-19 awareness, preparedness, and response; nutrition; and improving the knowledge and skills of beneficiaries related to labor-based construction and service delivery methods as well as contracting and payment arrangements. In accordance with the Parent Project, the AF will finance stipends for bus fare and lunch during the seven-day training. Completion of the ISDT is mandatory for all participants prior to On-the-Job Training (OJT). During the OJT, individuals are expected to acquire further practical, workplace and marketable skills in the mixing and laying of concrete, the laying of bricks and pavers, drainage, simple road maintenance and landscaping as well as safety in construction and other works specifications. The ISDT training includes a pre-test and post-test to assess the learning achievement of the trainees that is processed through the CIMS for analysis, reporting and decision making. In addition, the project collects additional qualitative information on the ISDT through the Follow Up Surveys to measure outcomes.

40. Subcomponent 3(b): Literacy (and Numeracy) Development and Post-Training Support Services (PTSS) (estimated at US\$0.2m). The Project and AF will finance the consolidation and expansion of literacy and numeracy skills development training for and total of 850 by the end of the Project,³² including 310 individuals under the AF, and post-training support services for total of 2,500 by the end of the Project inclusive of 1,000 individuals under the AF. Both these activities were previously part of the ISDT under the Parent Project but given their scale up, they have been separated out so that the activities can be monitored, and results tracked at an activity level. The Project and AF will build on the experience of the Literacy and Numeracy Development pilot³³ and expand the training to all Project locations through a partnership arrangement with the Literacy Association of Solomon Islands (LASI)³⁴ that will be implemented through a Non-Consulting Services contract. The literacy and numeracy development training will serve as an additional benefit to highly vulnerable participants and delivered either prior to entering or after completion of the ISDT. Unlike the ISDT, which is delivered at a central venue, the training will be run over six weeks per module consisting of two-hour sessions a day in targeted communities with adaptation where needed to acquire Level I and II competencies in literacy and numeracy. The training identifies slow learners and provides additional assistance for one to two weeks to acquire basic competency and help them complete the course. Training will be delivered by a locally appointed trainer who will be required to complete a Training of Trainers delivered by a LASI appointed Master Trainer. The certification process utilizes a pre- and post-training test that has been developed by LASI and is recognized by the Adult Literacy Development Association in Solomon Islands. The training will enable participants to acquire Level-I literacy skills.³⁵

³² This figure includes the 250 participants who benefited from the pilot under the Parent Project.

³³ The literacy pilot was implemented as pre-ISDT training in five communities in Honiara that trained 131 community members by October 2020 out of which 95% were women. About 70-86% of the participants completed the course in the stipulated time of five weeks compared to 50% completion reported by the ASPAE study conducted in 2014. The remaining participants of CAUSE sponsored literacy training were assessed to be slow learners and needed a further one to two weeks extra time to achieve the same level of learning. LASI uses a pre-test and post-test instrument to assess the learning achievement. The ISDT trainers reported that the participation in literacy training improved the confidence and receptivity of participants during ISDT training (*World Bank Mid-Term Review Aid Memoire*, November 2020).

³⁴ LASI is an NGO that advises SIG on literacy and numeracy standards and is established to deliver community-based literacy and numeracy training in Solomon Islands. It does not require the Project to finance any of its overhead costs or the cost for trainers and the Project is using LASI's existing training curriculum and modules.

³⁵ LASI offers Level I, II, and III literacy courses to provide reading, writing and numeracy skills under its Adult Literacy Programs. It was reported that after completing level I literacy training by CAUSE, some of the participants approached LASI to continue providing them Level II training, which was offered by LASI through its own program.



41. In addition, through Subcomponent 3(b), the AF will continue to finance PTSS, which has three streams of activities including: (i) Job Coaching and Employment Support Services (e.g., supporting CV, application, and interview preparation, preparing reference letters for employers); (ii) Counselling and Referral Services for GBV; and (iii) Information and Skills Training Sessions. Specifically, the AF will support the integration of PTSS data collection into the CIMS, augmenting the quality of data collection and strengthening monitoring, evaluation, service implementation and targeting. It will also enhance the quality and scope of the counselling and referral services. This is of particular importance in the wake of COVID-19 and the resulting increase in GBV and protection issues. The AF will facilitate regular information and skills training sessions by linking to, and partnering with, key local organizations who offer wellbeing, life skills, livelihood programs and services, as well as further education and training opportunities to acquire practical skills needed for income generation in the informal sector. The Project will explore opportunities that specifically support vulnerable populations, including those with limited education and opportunities for employment, such as young women, youth, and individuals in the informal sector whose livelihoods may have been disrupted or curtailed due to COVID-19 restrictions.

42. **Component 4: Project Management (US\$0.3m).** The AF will finance some of the administrative costs of scaling up the Project, especially relating to financial and accounting support. However, most of the AF will be to support the scale up of frontline activities under Components 1, 2 and 3. Associated TA to strengthen MID's and HCC's capacity to effectively supervise the scale up of project activities for the extended period will be financed by the AF. Monitoring and Evaluation activities and other studies to ensure rigorous monitoring and the timely reporting of activities are assessed to be satisfactory. However, the AF provides the opportunity to increase the scope and sample size. The CIMS is growing in importance as a management tool with project staff increasingly integrating it into their areas of work. The difficulties with weak internet services in the provinces are already being addressed with the purchase of relatively inexpensive Very Small Aperture Terminal (VSAT) services now in progress. A Junior MIS Administrator has been appointed to meet the growth demand for CIMS IT support. The CIMS will be integrated with the financial management system to produce better Unaudited Interim Financial Reports (IFRs) and Withdrawal Applications computations. There is ongoing engagement with the banking partner, BSP Ltd, to improve trainee's access to bank accounts. Further IT enhancements made during the AF period are expected to include development of new dashboards, queries, and reports.

43. **Coordination and Partnerships.** A key feature of the Project is its flexibility to adapt and build partnerships with a wide range of stakeholders to support and implement SIG's priorities in key economic and social sectors, especially in the context of the COVID-19 pandemic and its economic implications.

a. **Tourism Sector.** Tourism is one of several key areas SIG prioritizes in its Economic Stimulus Package and is captured under the productive sector in the DCGA Policy Redirection document. The DCGA recognizes the important role that tourism can play in developing the country. Although the COVID-19 pandemic will likely continue to have negative impacts on Solomon Islands and the Pacific tourism industry for at least the next 12 to 18 months, the immediate "downtime" period of global travel restrictions presents an important opportunity for SIG to work with stakeholders to prepare and strengthen the travel and tourism sector for an eventual "back-to-business" scenario. SIG wishes to ensure that the sector can rebound and boost economic growth as soon as the international borders are reopened. To support SIG's tourism investment priorities, the AF's investments can serve to complement larger tourism infrastructure investments such as



the Munda airport and planned cruise ship port in Noro by expanding economic opportunities for residents and making them more accessible and inclusive through the creation of jobs for low-skilled workers. This will, in turn, help bolster the overall resilience of the tourism sector, and at the same time, stimulate economic growth and prepare the country for new tourist arrivals.

- b. **Transport Sector.** The National Transport Plan (NTP) 2017-2036 translates the development policies and strategies into priorities in infrastructure development across land, marine and aviation infrastructure. The aim is to identify and prioritize transport infrastructure investments which best meets the needs of the Solomon Islands in coming years, and to plan for the funding and implementation of these investments. The Medium-Term Transport Action Plan (MTTAP), prepared under the NTP 2017, is a rolling short-term plan of projects for implementation with a strong focus on recurrent maintenance and provision of durable climate resilient infrastructure. ADB and Australia have provided various assistance in the transport sector, including the Post Conflict Emergency Rehabilitation Project (2001-2008), the Solomon Islands Road Improvement Project (2007-2013), the Second Road Improvement (Sector) Project (2010-2015) and the Transport Sector Development Project (2011-2017). The Sustainable Transport Infrastructure Investment Project is the second phase of a transport sector-based approach, prepared and funded jointly by SIG, Australia and ADB, which commenced in mid-2016 and is scheduled to close in December 2020. The funding envelope is around US\$80m for works and TA with an objective of supporting SIG's priorities under the NTP for improved transport infrastructure for nationwide access to social services and inclusive growth. The US\$51 million Solomon Islands Roads and Aviation Project became effective on May 23, 2019. Aside from the infrastructure investments at Honiara and Munda Airports, the project finances: (i) resealing of 15 km sealed sections on Malaita north and Auki town roads (including airport road); (ii) periodic and routine maintenance and spot upgrading of 59 km gravel sections on Malaita North and East Roads; and (iii) the replacement of three small bridges on Malaita North Road. It will also finance the design and build of Fiu River bridge, using the counterpart funding through the COVID-19 economic stimulus package and MID 2021 budget. Most of the current transport and infrastructure projects follow the top priorities from the NTP and MTTAP. While the AF will also respond to the priorities outlined in the NTP, which includes the maintenance of small but important road links and the construction of pedestrian infrastructure, it will fill an important gap in the provision of climate resilient access connections between communities and the main road network in urban settings.
- c. **Training Support Services.** Based on demand, results of the literacy pilot implemented in Honiara and recommendations made in the project's MTR, HCC will expand the literacy and numeracy training to all project locations in partnership with LASI. In addition, a key feature in delivering the three streams of PTSS will be the ability to link to and partner with local organizations who offer programs and services which enhance wellbeing, life skills and livelihood generation, and support vulnerable populations in accessing them. The Job Coaching and Employment Services stream of PTSS links project participants with local job opportunities and employers in the private and public sectors. The Counselling and GBV Referral Services connect and refer participants to relevant health, social services and SafeNet providers. For the Information and Skills Training Session stream, partnerships with a range of stakeholders are developed to deliver these sessions.³⁶ As

³⁶ Examples of some of the Information and Skills Training session partnerships to date include: *Vocational Training Opportunities for Youth* (Australia Pacific Training Coalition (APTC), Honiara); *Distance and Flexible Learning* (Solomon Islands National



part of the AF, these partnerships can be further developed and strengthened, with direct referrals or placements in programs offered to CAUSE participants,³⁷ as demonstrated by the recent partnership between CAUSE and the Australia Pacific Training Coalition's (APTC) Leadership and Management certification course.³⁸ This type of partnership model not only creates efficiencies between programs but helps to improve development outcomes, as existing CAUSE staff and training venues are used and project participants are "triaged" and referred to appropriate programs and services based on participant needs and target group. It also removes many of the barriers vulnerable populations face in accessing information, programs, and services through the provision of bus fare/refreshments, support in document/application preparation, and leveraging the trust and connection that participants established with the Project.

III. KEY RISKS

44. **The overall risk rating for the AF is 'Moderate.'** In a low-capacity environment, the Project has delivered steady results in an increasingly effective manner over the last three years and prior to this through the REP for eight years. As such, the risks and mitigation measures have been tested and continually refined over this period. The main risks to Project performance have been external, such as the risk of the Project's electronic banking partner not processing bank accounts in a timely manner, new weather shocks disrupting the planned works and social unrest. However, the Project has proven to manage these risks reasonably well. COVID-19 risks for the AF are assessed to be 'low' given the low number of active cases, which have all been detected either in quarantine or off-shore. Building the sustainable financing capacity for maintaining or growing the volume of activity without donor financing, may prove to be challenging in the future. However, a key feature of the Project is its flexibility to adapt and build partnerships, including generating parallel financing opportunities with a wide range of stakeholders, especially in the context of the COVID-19 pandemic and its economic implications. In addition, the Project demonstrates the potential for SIG to consider evolving the Project's screening, registration, and workfare aspects into a longer-term social protection system, which has proven to be essential during times of emergencies. Considerations for the remaining period include: (i) improving operational alignment with regular government planning and processes, including opportunities for integration with relevant Works and Waste Management Units in HCC, MID and the Provincial Authorities; and (ii) strengthening the operations and maintenance (O&M). More can be done on training and organizing O&M groups to ensure capacity and resources are established.

45. **In addition, an associated risk is exposure of urban areas to the effects of climate change and**

University (SINU), Honiara); *youSave* (National Provident Fund, Honiara); *Health, Counselling and Family Support Services* (Family Support Center, Honiara & Gizo); Malaita Care Centre, Auki; Women's Crisis Center, Noro); *Marketing & Income Generation* (Malaita Council of Women, Auki); *Financial Literacy and Savings* (World Vision, Honiara & Auki; Bank of South Pacific (BSP), Gizo) and *Agricultural Services* (Ministry of Agriculture and Livestock (MAL, Noro/Munda).

³⁷ Initial scoping suggests that the Project could further explore partnerships with HCC's Food Safety and Hygiene Certificate for informal sector food sellers which allows individuals to sell cooked food in public places (Honiara); ChildFund New Zealand for youth mental health services (Honiara); *Strongim Bisnis* partnerships in a range of sectors and locations; South Pacific Business Development's (SPBD) small business development training and microfinance opportunities for women (Gizo and Noro/Munda).

³⁸ For this partnership, APTC requested that CAUSE provide the names and applications of eight CAUSE youth who met the eligibility criteria. The CAUSE training team in Honiara identified eligible youth and help them prepare their applications and supporting documents, resulting in eight applicants taking the course entrance exam and four being accepted into the program (Leadership and Management certification level 4 course).



geophysical hazards, including storm surge, flooding, and tropical cyclones, amongst others. IDA's Climate and Disaster Risks Screening Tool has been used to determine the exposure of the Project's physical works, and where non-physical components can modulate the climate change and geophysical-related risks. The Project has moderate overall exposure, largely due to the prevalence of various natural disaster risk in the country (flooding, drought, landslide, earthquake, tsunami) and exposure to climate change risks (sea level rise, increased flooding, and storm surge). SIG currently manages disaster risk through the Ministry of Environment, Climate Change, Disaster Management, and Meteorology (MECDM) and have prepared a National Adaptation Program of Action (NAPA). While not the primary objective of the AF, activities will address several of the priorities set by the NAPA, including improved waste management, coastal protection, and infrastructure development to mitigate the climate change and geophysical risks. During subproject identification, the percentage of beneficiaries in areas vulnerable to flooding, landslide and other hazards will be monitored using the Project's *Vulnerability Screening (Assessment) Tool*. Under the road maintenance and repair works (Component 2), roads will include those that have been damaged by severe weather events and no longer functioning, including improved drainage capacity, and where suitable, upgrading pavement to all-weather access.

IV. APPRAISAL SUMMARY

A. Economic and Financial (if applicable) Analysis

46. An updated Economic and Financial Analysis (EFA) was conducted.³⁹ The EFA indicates that the program exceeds the minimum requirements for acceptability with an IRR of 30.5 percent.⁴⁰ The sensitivity tests indicate that value of time and employment related benefits have a large impact on Net Present Value (NPV). The two principal components are: (i) road improvements and (ii) community access infrastructure, although each component makes different contributions to the overall IRR, namely 88 percent and 11.5 percent, respectively. However, both components show an acceptable return. A reason for the lower IRR attached to the community infrastructure is because no data is available to quantify the benefits attributed to the Community-Based Waste Management Services such as health improvements, lower costs of medical care, less workdays lost, etc. These effects/benefits will be examined in more detail before Project closing. However, from the 'base case' result of IRR 30.5 percent, the Project is sufficiently robust. It will be helpful to identify and collect relevant data to inform analysis of additional benefit streams for the community access infrastructure and waste management activities.

B. Technical

47. The technical assessment at the appraisal of the Parent Project remains valid as the main implementation arrangements have been proven to be effective and remain unchanged. The proposed AF interventions meet the following design parameters: (i) incremental change rather than a substantially

³⁹ Solomon Islands CAUSE, Economic and Financial Analysis, July 6, 2021.

⁴⁰ The reasons for the increase compared with the original Project are: First, greater financial efficiency in IDA funds which, when combined with the AF, has generated more beneficiaries (both in terms of trainees and households benefiting); Second, an increased scale of the transport investments in Component 2 after expanding climate resilient spot improvement works to the Provinces, which attracts a significantly higher rate of return compared to other types of community infrastructure investments, mainly because their benefits are more readily quantified; and Third, removal of an arbitrary reduction factor in the original analysis on the lengths of roads treated which, on review, had no justification.



new approach, scaling up existing training and works activities and processes that have been proven to be effective. (Although the inclusion of Subcomponent 2 (b) activities is new in the Malaita and Western Provinces, the type of work has been tested in Honiara and Guadalcanal Province and subgrant contracting method proven to be effective under Component 1); (ii) achievable within the time frame; (iii) appropriately targeted; (iv) complementing services provided by SIG and development partners; and (v) building on experience and demand for the types of COVID-19 preparedness and response interventions that SIG has prioritized; and (vi) responds to the main MTR recommendations.

C. Financial Management

48. The Project's FM and disbursement arrangements continue to be relevant. Current disbursement arrangements will continue under the AF, including the Designated Account (DA) for use of the Project's operations. FM arrangements include acceptable processes on budgeting, accounting, internal control, funds flow, financial reporting, and auditing to ensure the timely submission of Interim Unaudited Financial Reports (IFRs) and audited Project financial statements, as specified in the Disbursement and Financial Information Letter (DFIL). The Project's FM rating was recently downgraded to *Moderately Unsatisfactory* following the MTR. This was attributed to the late submission of the 2019 audited financial statements, which has now been cleared,⁴¹ the late submission of the IFRs, which have also now been cleared, and improvements required regarding the maintenance of the Project's contracts register, cash/advances register and acquittal monitoring. Weaknesses in FM reporting have been caused by an increase in the volume of transactions due to the Project's rapid expansion. This has put significant pressure on the workload of the accountants, including the need for more regular Withdrawal Applications to keep up with cashflow requirements. To address the increase in cashflow requirements, the DA Ceiling, which was set at SBD6 million was increased in February 2021 to SBD10 million. In addition, the Project will engage a short-term FM consultant to: (i) review the efficiency of accounting software currently used, the accounts structure in the system and workflow arrangements to expedite the process of updating the IFRs and contracts register preparation; (ii) update the IFR template to reflect the addition of a new subcomponent 3 (b) and its budget; and (iii) update the coding in the chart of accounts for Project reporting to ensure compliance with the Project's financial reporting obligations. The DA already opened under the Parent Project will continue to be used to receive funds from the AF; as such, the previously designated as 'segregated' DA will be changed to a 'pooled' one. However, this change in DA classification has no impact on the Project, though the DFIL issued under the Parent Project will be amended to reflect the change in DA classification. The Ceiling of the pooled DA will remain at SBD 10 million for both the original financing and AF combined, and the minimum application size of SBD 1 million also applies to the AF.

49. **Lapsed Loan and Mandatory Direct Payment (MDP):** Currently there are two (2) lapsed loans (i.e. TF 16614 - Community Resilience to Climate and Disaster Risk in Solomon Islands Project and TF 18607 – Pacific Islands Regional Oceanscape Program – Solomon Islands) in the country portfolio, but due to the urgent nature of this AF (processed utilizing emergency procedures in line with paragraph 12 of Bank Policy of IPF), exception to the disallowance of the Advance method due to the issue of lapsed loan has been granted. In addition, the MDP applicable under the original financing of the Project will also apply to the AF.

⁴¹ The 2020 Audit was received by IDA on June 30, 2021 and acknowledged by IDA on July 7, 2021.



50. The AF resource allocation by Disbursement Category is shown in Table 3. With the addition of the PPIUF grant, the Project will be financed by both the IDA grant and PPIUF grant at 100%, inclusive of taxes. To the extent practical, IDA grant funds will be exhausted before PPIUF grant is accessed.

Table 3: Disbursement Category Allocations for the AF

Category	Amount of the Financing Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Training, and Incremental Operating Costs for the Project	2,500,000	100%
(2) Works for the Project and Community Grants	4,800,000	100% of amounts disbursed
TOTAL AMOUNT	7,300,000	

D. Procurement

51. The procurement methods and institutional arrangements under the original Project will remain for the most part unchanged and procurement under the AF will be carried out in accordance with the World Bank’s *Procurement Regulations for IPF Borrowers*, dated November 2020. The Project’s procurement performance has been consistently rated *Satisfactory*. The implementing agencies have submitted the Project Procurement Strategy for Development (PPSD) and Procurement Plan on February 22, 2021. IDA approved and gave no objection to the submitted PPSD and Procurement Plan on April 22, 2021. Based on the analysis of the PPSD, the findings are: (i) the institutional and implementation arrangements will remain unchanged for AF Project activities: HCC will be responsible for Components 1 and 3 and MID will be responsible for Component 2; (ii) except for adding Non-Consulting Services (NCS) to support the scale up of the LASI training, the procurement methods (direct selection) will remain unchanged under the AF. They include Request for Quotation (RFQ), Consultant’s Qualifications based Selection (CQS), selection of individual consultants and a national consulting firm under open competitive, limited competitive and direct selection basis; and (iii) procurement risks have been identified and mitigation measures have been agreed upon and will be implemented during the AF. In addition, IDA confirms that there is sufficient justification for the Direct Selection of MID executed climate resilient spot improvement works in the Malaita and Western Provinces due to: (i) there being no advantage obtained through competition with insufficient competitive market in the Malaita and Western provinces; (ii) the fragility and remoteness constraints of the assignment, hence difficulties encountered to mobilize to the provincial sites especially during COVID-19; (iii) the assignment value being very low (with limited options to combine work to make it higher value); and (iv) the procurement risk being assessed as ‘low risk.’ Accordingly, a simplified procurement plan was prepared by the implementing agencies. The procurement plan for the AF is recorded in the Project files, will be disclosed on the Project and World Bank websites, and monitored and updated as required.



E. Social (including Safeguards)

52. The Project's safeguards performance has been consistently rated Satisfactory since Project launching and the Project has been compliant with the Bank's Safeguards Policies and the Implementing Agencies have demonstrated the capacity to manage safeguards risks reasonable well. A Grievance Redress Mechanism (GRM) is functioning well, demonstrates good practice and there are no outstanding cases. There are a number of avenues for complainants to provide their feedback and lodge complaints (walk-in to the office, by phone, through Facebook or through the CLOs). Complaints are now recorded in the CAUSE Information Management System (CIMS), and the latest data shows that all 26 complaints on record have been resolved within the service standard of three months.

53. No new social safeguards policies are triggered as a result of the AF. The social safeguard policies (OP 4.10 Indigenous Peoples (IP) and OP 4.12 Involuntary Resettlement) triggered in the Parent Project will remain applicable in the AF. The AF's social risk profile remains unchanged and is rated as Moderate. Project activities generate primarily positive impacts and outcomes to local communities. The main social risks related to (i) ineffective inclusion/elite capture; (ii) unfulfilled expectations; (iii) social diversity/inequality between participants; (iv) possible disagreements relating to land donation; and (v) health and safety and gender-based concerns in workplaces. The institutional arrangements for safeguards implementation will remain unchanged in the AF. The safeguards oversight will be led by a dedicated safeguard officer based in Honiara who works closely with the Resident Work Supervisors (RWS) and CLOs. The Project implementing agencies will maintain the well-established GRM system and procedures. Community consultation in subproject screening, prioritization will be carried out through the application of the Project's Vulnerability Screening Tool.⁴² An Addendum to the Environmental and Social Safeguards Management Guidelines (ESMG) and Social Assessment has been developed to reflect COVID-19 specific risk considerations and relevant ESF related themes (discrimination and social inclusion, labor management, meaningful consultation and participation, Sexual Exploitation and Abuse/Sexual Harassment, exposure to COVID-19 including preparedness and response, security forces, traffic and road safety, and grievance redress). The Addendum covers the following social themes: (i) Health risks associated with the COVID-19 pandemic; (ii) Compliance risks associated with the use of labor on the Project; (iii) Workplace health and Safety Risks to participants due to the nature of project activities; (iv) Social risks associated with Gender-based violence, harassment and exploitation; (v) Environmental risks resulting from the generation of waste by community-based civil works and road maintenance and rehabilitation activities; and (vi) Increased likelihood of previously identified risks as a result of new project activity categories. The draft was circulated among key stakeholders; disclosed on the Project's website and consultations conducted with government officials, community leaders, and community members (youth, women) in Auki, Gizo, Noro/Munda, and Honiara on April 16, 2021, prior to the Appraisal of the AF. The feedback has been synthesized and reflected in the final draft version of the Addendum. The final draft Addendum has been submitted to IDA for review subject to redisclosure and publication per IDA's requirements.

⁴² Geographic targeting is based on an index ranking communities using a *Vulnerability Screening Tool* that was developed by the Project. Scores are assigned based on: (i) the absence or presence of basic services (water supply systems, energy, schools), (ii) livelihood (e.g., availability of land and access to markets), (iii) population and housing, (iv) connectivity (distance to CBD, internal access paths, connecting road); and (v) safety (with respect to natural hazards). Locations classified in three categories: Low Vulnerability (lowest third), Medium (middle third) or High (highest third). This informs the prioritization of the community infrastructure sub-Project locations and interventions financed by the Project.



F. Environment (including Safeguards)

54. No new environment safeguard policies are triggered as a result of the AF. The Parent Project triggers three environmental safeguard policies (OP 4.01 Environmental Assessment, OP 4.04 Natural Habitats, and OP 4.12 Physical Cultural Resources), which remain applicable in the AF. The Parent Project's environmental safeguards performance has been consistently rated Satisfactory. The Parent Project was classified as Environmental Category 'B' and remains applicable for the AF due to its same or similar nature and scale to those completed or planned under the Parent Project. The AF's potential environment impacts have been assessed to be minimal, with the majority limited to the construction phase, where they can be managed through existing mitigation measures described in the Addendum to the ESGM. The Addendum reflects the additional environmental themes: (i) any new possible risks and mitigation measures resulting from the generation of waste by community-based civil works and road maintenance and rehabilitation activities, (e.g., for the similar works such as road spot repairs maintenance expanded to provinces other than Guadalcanal); and (ii) changing circumstances on the ground related to COVID-19. However, the environmental risk profile of the AF Activities remains unchanged and is rated as 'Moderate.' Risks are not assessed to be 'significant,' nor raise the Project's category to 'Category A' as described under OP/BP 4.01. The environmental impacts are still expected to be site-specific, moderate, short-lived and could be easily mitigated. An essential aspect of safeguarding the environment is the sustainable management of waste to reduce environmental quality degradation and minimize pollution. This is a particularly important consideration in the context of population growth and increasing waste generation. The main environmental risks related to works in potential climatic risks and natural disasters. The main risks institutional risks relate to (i) political risks; (ii) alignment risks; (iii) communication risks; (iv) and governance/financial risks in relation to procurement. The Addendum of ESGM has been prepared by the implementing agencies to reflect the COVID-19 safe considerations and IDA's environmental, health, and safety (EHS) guidelines. The institutional arrangements for safeguards implementation will remain unchanged in the AF. Lessons learned on the environmental safeguards, COVID-19 Preparedness and Response Plan, Labor Management Procedures for direct and contracted workers, and templates (for Environment and Social Management Plan 10 and 11) for site-specific safety measures have been integrated into the ESGM Addendum.

G. Other Safeguard Policies (if applicable)

55. Not applicable.

V. WORLD BANK GRIEVANCE REDRESS

56. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit



<http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org

**VI. SUMMARY TABLE OF CHANGES**

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Safeguard Policies Triggered	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓

VII. DETAILED CHANGE(S)**COMPONENTS**

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Urban Works and Services	6.50	Revised	Urban Works and Services	9.50
Road Maintenance and Repair	5.50	Revised	Road Maintenance and Repair	8.80
Infrastructure and Service Delivery Training	1.40	Revised	Training and Support Services	2.10
Project Management	1.60	Revised	Project Management	1.90



TOTAL	15.00			22.30
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LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-D2920	Effective	27-May-2022	27-May-2022	30-Apr-2024	30-Aug-2024

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2018	0.00	0.00
2019	2,870,000.00	2,870,000.00
2020	4,530,000.00	7,400,000.00
2021	5,840,000.00	13,240,000.00
2022	1,760,000.00	15,000,000.00
2023	0.00	15,000,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Low	● Low
Institutional Capacity for Implementation and Sustainability	● Moderate	● Moderate
Fiduciary	● Moderate	● Moderate
Environment and Social	● Moderate	● Moderate
Stakeholders	● Low	● Low
Other	● Moderate	● Moderate
Overall	● Moderate	● Moderate



COMPLIANCE

Change in Safeguard Policies Triggered

Yes

Safeguard Policies Triggered	Current	Proposed
Environmental Assessment OP/BP 4.01	Yes	Yes
Performance Standards for Private Sector Activities OP/BP 4.03	No	No
Natural Habitats OP/BP 4.04	Yes	Yes
Forests OP/BP 4.36	No	No
Pest Management OP 4.09	No	No
Physical Cultural Resources OP/BP 4.11	Yes	Yes
Indigenous Peoples OP/BP 4.10	Yes	Yes
Involuntary Resettlement OP/BP 4.12	Yes	Yes
Safety of Dams OP/BP 4.37	No	No
Projects on International Waterways OP/BP 7.50	No	No
Projects in Disputed Areas OP/BP 7.60	No	No

LEGAL COVENANTS – Community Access and Urban Services Enhancement Project Additional Financing (P176094)

Sections and Description

By not later than 30 days after the Effective Date, the Recipient, through HCC and MID, shall prepare and adopt an updated Project Operations Manual, in form and substance satisfactory to the Bank, and thereafter ensure that the Project is carried out in accordance with the arrangements and procedures set out in the Project Operations Manual. (Section I.B of Schedule 2 to the Grant Agreement).



Conditions

Type	Financing source	Description
Effectiveness	Trust Funds	The Amendment Letter has been executed and delivered on behalf of the Recipient. (Section 4.01(b) of the Grant Agreement).



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Solomon Islands

Community Access and Urban Services Enhancement Project Additional Financing

Project Development Objective(s)

To improve basic infrastructure and services for vulnerable urban populations in targeted urban centers of the Recipient.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Improve delivery of basic infrastructure & services for vulnerable populations in urban centers			
Households in project areas benefiting from improved access to infrastructure, services or markets (Number)		0.00	18,000.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Target increased with Additional Financing.</i>		
Individuals from project areas reporting improved access to infrastructure, services or markets (Percentage)		0.00	75.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator changed from Number to Percentage, based on Mid-Term Review (MTR) recommendations and the First Follow Up Survey outcomes. Measuring the number of individuals accurately has proved impractical, but the follow up survey (FUS) was able to measure a percentage. The MTR review noted that there were problems with the clarity of questions and</i>		



Indicator Name	PBC	Baseline	End Target
		<p><i>sample selection, relating to this indicator in the FUS and attributed the result (65%) to these factors. A 75% target is assessed as being feasible.</i></p>	
Youth (aged between 16 and 29 years) from project areas reporting improved access to infrastructure, services or markets (Percentage)		0.00	50.00
Women from project areas reporting improved access to infrastructure, services or markets (Percentage)		0.00	50.00
Beneficiaries of job-focused interventions (CRI, Number)		0.00	8,400.00
<p>Action: This indicator has been Revised</p>		<p>Rationale: Target increased with Additional Financing.</p>	
Beneficiaries of job-focused interventions - Female (CRI, Number)		0.00	4,200.00
<p>Action: This indicator has been Revised</p>		<p>Rationale: Target increased with Additional Financing.</p>	
Youth that are engaged in works or training activities (Number)		0.00	4,200.00
<p>Action: This indicator has been Revised</p>		<p>Rationale: Measurement changed from Percentage to Number to be consistent with the above results on female beneficiaries of job-focused interventions.</p>	



Indicator Name	PBC	Baseline	End Target
Beneficiaries from poor communities ranked as “highest priority” in the vulnerability index (Percentage)		0.00	50.00
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>The reduction in the target value was recommended and agreed to during the project’s Mid-Term Review (MTR). The strict application of the vulnerability assessment tool sometimes results in the avoidance of some high impact interventions that include peri-urban communities living just outside the geographic scope determined by the tool. In Western and Malaita provinces, there is a high degree of vulnerability in most communities and the prioritization may not be that accurate as scores may be quite similar. In Honiara, the waste cleaning activities require people living near work sites, which may not be classified as the most vulnerable. The MTR recommended that a slight reduction in the target value will provide some flexibility in the selection of project interventions appropriately.</i></p>		
Beneficiaries reporting that project investments reflected their needs (Percentage)		0.00	70.00
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>Target remains unchanged but end of project target date amended to align with the Additional Financing period.</i></p>		

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Urban Works and Services			



Indicator Name	PBC	Baseline	End Target
Community access infrastructure constructed (Number)		0.00	212.00
Action: This indicator has been Revised	Rationale: Target increased with Additional Financing.		
Community members reporting that the infrastructure improved pedestrian safety (Percentage)		0.00	80.00
Action: This indicator has been Revised	Rationale: Target remains unchanged but end of project target date amended to align with the Additional Financing period.		
Number of labor days generated (under Components 1 & 2) (Number)		0.00	370,000.00
Action: This indicator has been Revised	Rationale: Target increased with Additional Financing.		
Of which youth (Percentage)		0.00	50.00
Of which women (Percentage)		0.00	50.00
Volume of waste collected (Cubic Meter(m3))		0.00	78,000.00
Action: This indicator has been Revised	Rationale: Target increased with Additional Financing.		



Indicator Name	PBC	Baseline	End Target
Road Maintenance and Repair			
Cumulative length of roads restored and maintained annually (km X years) (Kilometers) (Kilometers)		0.00	83.00
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>Indicator refined to reflect volume of maintenance work undertaken by including lengths of road that have been maintained repeatedly. I.e., kilometers multiplied by years. The original indicator and results reported did not reflect the continuous nature of the work or cumulative length maintained. Therefore, the target includes the full length of road that is improved to a “maintainable” condition through spot improvements, rather than just limited to the length of the improvement works.</i></p>		
Financial progress of road restoration and maintenance (USD) (Number) (Number)		0.00	3,200,000.00
<i>Action: This indicator is New</i>	<p>Rationale:</p> <p><i>This new indicator will be measured against the overall planned outputs.</i></p>		
Length of roads improved to climate resilient standards (Kilometers) (Kilometers)		0.00	14.10
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>“Rehabilitated” removed, as the works undertaken are not consistent with the technical meaning of the term. Meaning of indicator clarified, to mean the full length of road that is improved to a “maintainable” condition through spot improvements, rather than just the length of the improvement works. This includes roads under maintenance contracts where specific spot improvements were specified at commencement. Target also changed due to Additional Financing as well as revised meaning of indicator.</i></p>		
Cumulative expenditure on spot improvement works (USD) (Number) (Number)		0.00	2,200,000.00



Indicator Name	PBC	Baseline	End Target
Action: This indicator is New	Rationale: <i>This new indicator will be measured against the overall planned outputs.</i>		
Contractors' staff trained (Number)		0.00	224.00
Action: This indicator has been Marked for Deletion	Rationale: <i>This is not a specific output of the project, but an activity designed to assist small contractors to bid on contracts under formal procurement rules. No longer a significant consideration due several years of experience including with REP, which was implemented over 9 years.</i>		
Training and Support Services (Action: This Component has been Revised)			
Individuals trained under the ISDT (Number)		0.00	8,400.00
Action: This indicator has been Revised	Rationale: Target increased with Additional Financing.		
Of which youth (Percentage)		0.00	50.00
Of which women (Percentage)		0.00	50.00
Trainees that are assessed as successfully completing the training (Percentage)		0.00	80.00
Action: This indicator has been Revised	Rationale: Target remains unchanged but end of project target date amended to align with the Additional Financing period.		



Indicator Name	PBC	Baseline	End Target
Trainees that expressed satisfaction with knowledge and skills received from ISDT (Percentage)		0.00	80.00
Action: This indicator has been Revised	Rationale: Target remains unchanged but end of project target date amended to align with the Additional Financing period.		
New bank accounts opened or reactivated as result of the project (Number)		0.00	2,700.00
Action: This indicator has been Revised	Rationale: Target remains unchanged as it has proven to be been challenging to meet current target due to delays with banking partner in opening bank accounts but end of project target date amended to align with the Additional Financing period.		
New bank accounts opened or reactivated as result of the project by women (Percentage)		0.00	50.00
Trainees that accessed post training support services (Number) (Number)		0.00	2,500.00
Action: This indicator has been Revised	Rationale: Simplified to improve clarity. Additional training support consists of Literacy training, reported under a separate indicator. Indicator includes further training, counselling and referral services, post ISDT. Data will be dis-aggregated according to types of service (including GBV referrals) and gender, to be maintained and reported through the MIS.		
Participants who acquire Level-I literacy skills (Number)		0.00	850.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>Literacy training has now been mainstream and is no longer a pilot. Target increased with Additional Financing. Participants who acquire Numeracy training (Level 2) will be monitored and reported on in the CIMS.</i></p>		
Women who acquire Level-I literacy skills (Percentage)	0.00		50.00
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>Target increase to include a more equitable representation of women to be targeted.</i></p>		
Women accessing counseling services (Percentage)	0.00		30.00
<i>Action: This indicator has been Marked for Deletion</i>	<p>Rationale:</p> <p><i>Deleted in the Results Framework but records will be maintained in the MIS.</i></p>		
Project Management			
Grievances resolved within three months (Percentage)	0.00		100.00
<i>Action: This indicator has been Revised</i>	<p>Rationale:</p> <p><i>Target remains unchanged but end of project target date amended to align with the Additional Financing period.</i></p>		



Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Households in project areas benefiting from improved access to infrastructure, services or markets	The total number of households to benefit is expected to increase from 15,000 across the six project locations to 18,000 households due to increased Component 1 activities and the expansion of Component 2 activities in the provinces. Each household is estimated to contain approximately 5.76 people based on the 2019 National Population and Housing Census.	Annual.	CIMS.	Physical counting of households in project areas.	Implementing agencies.
Individuals from project areas reporting improved access to infrastructure, services or markets	The project is expected to provide benefits, more broadly, to approximately 18,000 households or about 103,680 people (assuming a household size of 5.76 people based on the 2019 National Population and Housing Census.) residing in project	The Follow Up Survey consists of two component s: (i) a Beneficiary Survey; and (ii) a Community	Follow Up Survey.	The Follow Up Survey consists of two components: (i) Beneficiary Survey; and (ii) Community Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire	Implemented by survey firm using survey questionnaires designed by IDA.



	<p>impacted areas due to the expansion of Component 2 activities in the provinces.</p> <p>The First Follow Up Survey recorded 65% but noted that the responses indicated problems with the clarity of questions and sample selection (targeting of project areas).</p>	<p>Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire designed by IDA.</p>		<p>designed by IDA.</p>	
<p>Youth (aged between 16 and 29 years) from project areas reporting improved access to infrastructure, services or markets</p>	<p>At least 50% of the project participants are expected to be youth.</p>	<p>The Project's evaluation includes a Baseline Study (completed) and Periodic Surveys. The First Follow Up (FU) Survey was compl</p>	<p>Follow Up Survey.</p>	<p>The Follow Up Survey consists of two components: (i) a Beneficiary Survey; and (ii) a Community Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire designed by IDA.</p>	<p>Implemented by survey firm using survey questionnaires designed by IDA.</p>



		<p>eted in 2020. Two more FU Surveys will be completed before Project closing.</p>			
<p>Women from project areas reporting improved access to infrastructure, services or markets</p>	<p>At least 50% of the project participants are expected to be women.</p>	<p>The Project's evaluation includes a Baseline Study (completed) and Periodic Surveys. The First Follow Up (FU) Survey was completed in 2020. Two more FU Surveys will be completed</p>	<p>Follow Up Survey.</p>	<p>The Follow Up Survey consists of two components: (i) a Beneficiary Survey; and (ii) a Community Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire designed by IDA.</p>	<p>Implemented by survey firm using survey questionnaires designed by IDA.</p>



		before Project closing.			
Beneficiaries of job-focused interventions		Quarterly	MIS/Quarterly Progress Report	Supervision reports	HCC & MID
Beneficiaries of job-focused interventions - Female		Quarterly	MIS/Quarterly Progress Report	Supervision reports	HCC & MID
Youth that are engaged in works or training activities	At least 50% of the project participants are expected to be youth.	Quarterly	MIS/Quarterly Progress Report	Supervision reports	HCC & MID
Beneficiaries from poor communities ranked as “highest priority” in the vulnerability index	Geographic targeting within each of the project locations is based on an index that ranks communities in each project location according to an assessment of vulnerability using a Vulnerability Screening Tool that was developed by the project and applied in	Assessment at the beginning of the project	Vulnerability Screening Tool	See above.	HCC & MID



	<p>all project locations. The simplified screening tool is adapted from a DFAT-financed Lands Survey, which identified communities with higher levels of vulnerability based on certain characteristics, which are known to be common predictors of poverty and comparable to a subset of Census variables. The scores are based on: (i) the absence or presence of basic services (water supply systems, energy, schools), (ii) livelihood (e.g., availability of land and access to markets), (iii) population and housing, (iv) connectivity (distance to CBD, internal access paths, connecting road); and (v) safety (with respect to natural hazards). Scores are then allocated to each indicator and combined with proportional weightings, which in turn, produced a total score and ranking of communities in</p>				
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	<p>order of priority. Communities in each of the project locations are then classified in three categories: Low Vulnerability (lowest third), Medium (middle third) or High (highest third). Community requests for infrastructure improvement are prioritized accordingly and further assessed for their eligibility under the project. The information is used to inform and prioritize the roll-out of community infrastructure sub-project locations and interventions financed by the project.</p>				
Beneficiaries reporting that project investments reflected their needs	Participation & Civic Engagement Core Sector Indicator.	The Project's evaluation includes a Baseline Study (completed) and Periodic Surveys. The First	Follow Up Survey.	The Follow Up Survey consists of two components: (i) a Beneficiary Survey; and (ii) a Community Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire designed by IDA.	Implemented by external firm. Survey questionnaire designed by IDA.



		<p>Follow Up (FU) Survey was completed in 2020. Two more FU Surveys will be completed before Project closing.</p> <p>The FUS asked about two main aspects of project investments reflecting beneficiary needs- infrastructure and ISDT training. The indicator is reported as the percentage</p>			
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		of beneficiaries in the FUS responding positively to either infrastructure or ISDT reflecting their needs. It is recommended that future rounds of the FUS investigate the full range of project investments, not just ISDT and infrastructure.			
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Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Community access infrastructure constructed	Community access infrastructure constructed through the Urban Works and Services scheme.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC & MID.
Community members reporting that the infrastructure improved pedestrian safety	Community members reporting that the infrastructure improved pedestrian safety reported through the Follow Up Survey.	The Project's evaluation includes a Baseline Study (completed) and Periodic Surveys. The First Follow Up (FU) Survey was completed in 2020. Two more FU Surveys will be completed before Project	Follow Up Survey.	The Follow Up Survey consists of two components: (i) a Beneficiary Survey; and (ii) a Community Perceptions Survey. The Follow Up Survey is being implemented by a survey firm using a survey questionnaire designed by IDA.	Implemented by survey firm using survey questionnaires designed by IDA.



		closing.			
Number of labor days generated (under Components 1 & 2)	Number of work / man days created.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Of which youth	Percentage of total labor days performed by youth.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC & MID.
Of which women	Percentage of total labor days performed by women.	Quarterly.	MID/Quarterly Progress Report.	Physically counting numbers trained.	HCC & MID.
Volume of waste collected	Volume of waste collected measured in cubic meters.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Cumulative length of roads restored and maintained annually (km X years) (Kilometers)	This Indicator reflects volume of maintenance work undertaken, including lengths of road that have been maintained repeatedly, hence the units of km X years.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	MID.



Financial progress of road restoration and maintenance (USD) (Number)	Value of Number expressed in US Dollars. This is designed to reflect actual progress at the time of reporting given that there are typically several contracts ongoing, that would not be reported under the other related indicators, until they are deemed complete.	Quarterly.	CIMS.	CIMS.	MID
Length of roads improved to climate resilient standards (Kilometers)	Measures the full length of road that is improved to a “maintainable” condition through spot improvements (not just the length of the improvement works).	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	MID.
Cumulative expenditure on spot improvement works (USD) (Number)	Value of Number expressed in US Dollars. This is designed to reflect actual progress at the time of reporting given that there are typically several contracts ongoing, that would not be reported under the other related indicators, until they are deemed complete.	Quarterly.	CIMS.	CIMS.	MID.



Contractors' staff trained	Contractors trained on bid preparation and labor base machine supported methods.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	MID.
Individuals trained under the ISDT	Number of individuals completing ISDT.	Quarterly.	MIS/Quarterly Progress Report.	Supervision report.	HCC.
Of which youth	Percentage of youth between the ages of 16-29 years trained by the Project.	Quarterly.	MIS/Quarterly Progress Report.	Physically counting numbers trained.	HCC.
Of which women	Percentage of women trained in the ISDT.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Trainees that are assessed as successfully completing the training	Trainees that are assessed as successfully completing the training.	Quarterly.	MIS/Quarterly Progress Report.	ISDT Exit Survey.	HCC.
Trainees that expressed satisfaction with knowledge and skills received from ISDT	Trainees that expressed satisfaction with knowledge and skills received from ISDT.	Quarterly.	MIS/Quarterly Progress Report.	ISDT Exit Survey.	HCC.
New bank accounts opened or reactivated as result of the project	New bank accounts opened	Quarterly.	MIS/Quarterly	Supervision reports.	HCC.



	or reactivated as result of the project. Linked to ISDT registration.		Progress Report.		
New bank accounts opened or reactivated as result of the project by women	Percentage of new bank accounts opened or reactivated as result of the project by women.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC & MID.
Trainees that accessed post training support services (Number)	Trainees that accessed the pre and post ISDT support services, including further training, counseling and referral services.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Participants who acquire Level-I literacy skills	Trainees that received additional literacy training through pilot with the Literacy Association of Solomon Islands.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Women who acquire Level-I literacy skills	Percentage of females receiving training through the literacy pilot.	Quarterly.	MIS/Quarterly Progress Report.	Counting number of female registrants.	HCC.
Women accessing counseling services	Percentage of women accessing counseling services. Includes personal and job counselling.	Quarterly.	MIS/Quarterly Progress Report.	Supervision reports.	HCC.
Grievances resolved within three months	Documentation,	Quarterly.	MIS/Quarterly	Grievance Redress Form.	HCC & MID.



	monitoring and timely resolution of grievances reported.		Progress Report.		
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