



Owner's Engineer for mini grids under Vanuatu Rural
Electrification Project Stage II (VREP II)

STAKEHOLDER ENGAGEMENT FRAMEWORK

Prepared for: Department of
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Table of Acronyms

Acronym	Definition
ATP	Ability to Pay
BLT	Build-Lease-Transfer
BOOT	Build-Own-Operate-Transfer
BOT	Build-Operate-Transfer
CapEx	Capital Expenditures
COM	Council of Ministers
Consultancy	The Consultant's assignment: Owner's Engineer for The Project
Consultant	Association lead by Trama TecnoAmbiental (TTA) and composed of TTA, The Cadmus Group LLC (CADMUS), and PT ERM Indonesia (ERM).
CTB	Central Tenders Board
DCO	Development Committee Officials
DEPC	Department of Environment Protection and Conservation
DOE	Department of Energy, Ministry of Climate Change, Government of the Republic of Vanuatu
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
Eoi	Expression of Interest
kWp	Kilowatt peak (refers to installed photovoltaic capacity)
O&M	Operations & Maintenance
OPEX	Operation Expenditures
PAD	(World Bank) Project Appraisal Document
POM	Project Operations Manual
Project	VREP II Component 2
SEF	Stakeholder Engagement Framework
SHS	Solar Home Systems
ToR	Terms of Reference
VREP	Vanuatu Rural Electrification Project
VREP I	Vanuatu Rural Electrification Project, Stage 1
VREP II	Vanuatu Rural Electrification Project, Stage 2
WB	World Bank
WTP	Willingness to Pay

Definitions

EIA/ ESIA Process	An Environmental Impact Assessment (EIA) or Environmental and Social Impact Assessment (ESIA) process is a systematic approach to identify, predict and assess the type and scale of potential environmental, and social, impacts associated with business activities of projects; the EIA/ ESIA process includes associated control and mitigation measures to prevent, reduce or offset these potential environmental, and social, impacts.
Grievance	An issue, concern, problem, or claim (perceived or actual) that an individual or community group wants a company or contractor to address and resolve.
Grievance Mechanism	A locally based and formalised way to receive, assess, and resolve stakeholder complaints about the performance or behaviour of the Project, including its contractors or employees.
Stakeholder(s)	Persons or groups who are directly or indirectly affected by a project or entity as well as those who may have interests in a project or entity and/or the ability to influence its outcome, either positively or negatively. They may include locally affected communities or individuals and their formal or informal representatives, national or local government authorities, politicians, religious leaders, civil society organisations and groups with special interests, the academic community, or other businesses.
Vulnerable Social Groups	Vulnerable or at-risk groups include people, who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by potential adverse impacts from a project than others and who may be limited in their ability to claim or take advantage of the project's intended development benefits and engagement mechanisms.

1. Background

1.1. The Project

The Government of Vanuatu, through the Department of Energy (DOE), is implementing a number of projects designed to support increased penetration of renewable energy and increased access to electricity services for rural households, public institutions and businesses located in the dispersed off-grid areas of Vanuatu. The World Bank and other development partners support and fund some of these projects.

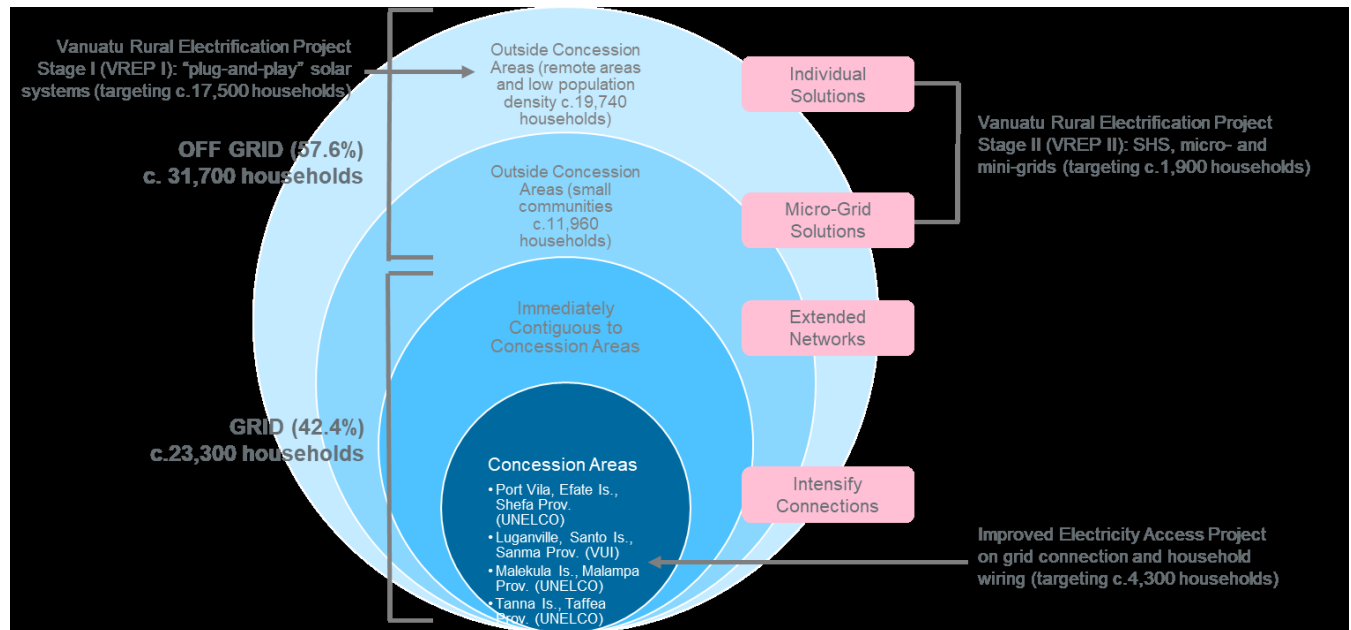


Figure 1. Strategic Framework for Scaling up Electricity Access Nationwide by 2030

Source: World Bank Project Appraisal Document 9 May 2017, paragraph 25

The Vanuatu Rural Electrification Project (VREP) is a key initiative to achieve these goals and is undertaken by DOE. DOE is defined as the initiative's Owner. VREP is being undertaken in two stages:

- The first stage (VREP I) involves subsidizing 'plug and play' solar home systems (SHS) for remote dispersed rural households; and
- The second stage of VREP (VREP II) involves extending the subsidies to:
 - larger technician-installed SHS and microgrids (component I); and
 - mini-grids (component II) starting with the development of up to five (5) mini-grids¹ in rural communities of Vanuatu (the Project).

A number of communities will be selected via an endorsed selection criteria and invited by DOE to elect to host and benefit from a mini-grid under component II VREP II. As such, this is a demand-driven initiative: communities are to choose to benefit from the mini-grid systems. The Project will thus be implemented in partnership between the DOE and the recipient communities of the mini-grids. The mini grids under component II VREP II

¹ In the Pacific context, a mini-grid can be defined as a power system architecture that includes electricity generators, energy storage systems interconnected with a distribution system that supplies the entire electricity demand of a localized group of customers (and is not connected to a centralised grid though could be in the future). A micro-grid, on the other hand, provides similar architecture but at a much smaller scale services and for only a few contiguous customers (e.g. school, staff quarters, local shop or health centre) based on a single property.

are also intended to be developed within the Environmental and Social Management Framework² and the Resettlement Policy Framework³ prepared for DOE by the World Bank in December 2016 as part of VREP. The mini grids under component II VREP II are further intended to be developed within the World Bank's overall Environmental and Social Safeguard Policies⁴.

A mini-grid is a stand-alone electricity generation source and distribution network. The envisaged mini-grids are small solar / diesel hybrid systems suitable for supplying the power needs of a small rural village where the energy consumption is quite limited (c.20 to 500 customers). Based on preliminary conducted simulations, the system size is generally expected to be in the range of 30 to 80 kilowatt-peak (kWp) catering for a village with a peak load in the range of 10 kW to 50 kW (in the evening) and a daily power consumption of 150 kWh to 400 kWh/day, though larger-sized systems may also be constructed. Such hybrid systems typically involves solar photovoltaics (PV) arrays, a battery bank (able to store the equivalent of one day of expected demand) and/ or a diesel genset, preferably using biodiesel from locally produced crops such as copra, to meet peak demand and restart the system, as well as an inverter device to convert the direct current (DC) power generated by the PV arrays to the local alternating current (AC) distribution network itself.

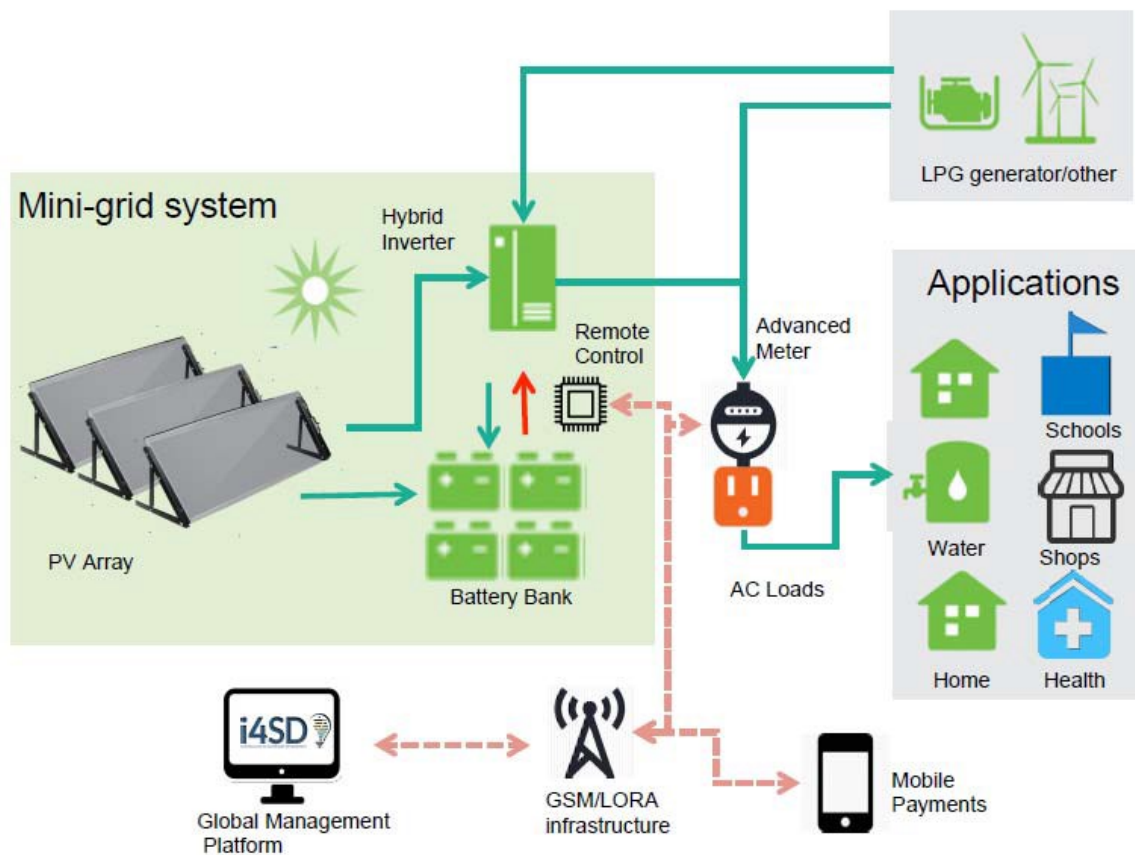


Figure 2. Typical Mini-Grid System

²

<https://doe.gov.vu/images/docs/reports/Environmental%20and%20Social%20Management%20Framework%20for%20the%20VREP%20Stage%20II.pdf> (accessed 18 October 2019)

³

<http://doe.gov.vu/images/docs/reports/Resettlement%20Policy%20Framework%20for%20the%20VREP%20Stage%20II.pdf> (accessed 18 October 2019)

⁴ <https://www.worldbank.org/en/projects-operations/environmental-and-social-policies> (accessed 8 January 2020)

Source: Innovations for Sustainable Development in Mini-Grids & Gender Equality, Inclusive Design, Better Development Outcomes, Key Issues and Potential actions, The World Bank group, Climate Investment Funds, ESMAP, February 2017⁵

1.2. Project Proponent

Trama Tecno Ambiental (TTA) and its sub-consultants, is the Consultant selected as 'Owner's Engineer' for the development and end-to-end delivery of the mini-grids under 'Component II' of the Vanuatu Rural Electrification Project – Stage II (VREP II) as set out in the related World Bank Project Appraisal Document dated May 2017 (**the Project**). As part of the development and end-to-end delivery of the Project, the Consultant has prepared this Stakeholder Engagement Framework (SEF) to guide relevant stakeholder engagement activities throughout the Project in order to achieve informed consultation and participation (ICP) as required under the applicable Reference Framework (further described as an Annex to this document).

DoE is the Project proponent and is responsible for the development of the mini grid Project with the support of the Consultant. Both DoE and the Consultant will lead and manage the stakeholder engagement activities documented under this Stakeholder Engagement Framework.

1.3. Stakeholder Engagement Framework Scope

This document describes the Stakeholder Engagement Framework (SEF) of the Project. Stakeholder engagement refers to a process of:

- Sharing information and knowledge in a meaningful manner,
- Seeking to understand and respond to the concerns of individuals potentially impacted or affected by an activity in a transparent, inclusive and timely process, and
- Building relationships based on trust.

As such, stakeholder engagement is seen as essential for the success of the Project.

Oversight of the stakeholder engagement is to be undertaken by the Project's Owner throughout the planning, construction, operations and decommissioning phases of the Project's activities and to be coordinated with the other engagement activities potentially linked to VREP to avoid consultation fatigue. This SEF:

- Builds on and documents all consultations undertaken to-date,
- Presents the methodology for the planned stakeholder engagement activities to be undertaken during subsequent activities, and
- Highlights the regulatory framework for this SEF.

The scope of the SEF (as well as of the associated Grievance Redress Mechanism or GRM) covers the Project in its entirety (Project sites, transmission lines, transport, and other ancillary components such as workers accommodation, etc.) in Vanuatu. As such, the SEF includes the various stakeholders positively, neutrally and adversely affected by the Project development. The Project's own employees, workers and contractors, as well as any visitors to the Project's premises shall comply with the requirements of this SEF.

This SEF is further developed within an applicable Reference Framework consisting of the regulatory framework, the Environmental and Social Management Framework⁶ and the Resettlement Policy Framework⁷ prepared for

⁵ https://www.climateinvestmentfunds.org/sites/cif_enc/files/mini-grids_and_gender_equality.pdf (accessed 30 October 2019)

⁶

<https://doe.gov.vu/images/docs/reports/Environmental%20and%20Social%20Management%20Framework%20for%20the%20VREP%20Stage%20II.pdf> (accessed 18 October 2019)

⁷

<http://doe.gov.vu/images/docs/reports/Resettlement%20Policy%20Framework%20for%20the%20VREP%20Stage%20II.pdf> (accessed 18 October 2019)

DOE by the World Bank in December 2016 as part of VREP and the World Bank Group's environmental and social safeguards (further described as an Annex to this document).

This SEF is intended to be a 'live' document that is updated throughout the Project's lifecycle to document the implementation of the Project's community engagement and communication strategy and changing Project landscape. This SEF will be reviewed regularly by the Project's Owner, the Consultant as the Owner's Engineer to the Project, and the World Bank as financier of the Project, and updated as relevant.

1.4. Stakeholder Engagement Framework Objectives

The specific objectives of the SEF are to:

- Identify and assess the stakeholder groups and their profiles, interests, issues/impacts and concerns relevant to the Project (stakeholder mapping);
- Identify specific initiatives (e.g. community meetings, focus-group discussions, face-to-face meetings, posters in public facilities) to allow meaningful engagement with the different stakeholder groups in a manner that is transparent and accessible and using culturally appropriate communication methods with a specific focus on vulnerable groups;
- Allow a relationship to be built with the various stakeholders of the Project based on mutual respect and trust;
- Facilitate adequate and timely dissemination of information on technical, economic, environmental and social risks and impacts to the stakeholder groups in a timely, understandable, accessible and culturally appropriate manner and format;
- Establish systems for prior disclosure/dissemination of information and consultation, including seeking inputs from affected persons, incorporation of inputs, as applicable, and providing feedback to affected persons/groups on whether and how the input has been incorporated;
- Establish a mechanisms for feedback and dispute resolution (through a GRM); and
- Establish a procedure for registering and tracking of grievances of the activities undertaken through reporting and monitoring of the GRM.

The purpose of a GRM is to provide a forum for internal and external stakeholders to voice their concerns, queries and issues with and provide suggestions on the Project (be that openly or anonymously). Such a mechanism should provide the stakeholders with a responsible Project personnel or channel through which their queries can be communicated with the assurance of timely responses to each query. The specific objectives of the GRM are to:

- Allow stakeholders the opportunity to raise comments/concerns;
- Manage and monitor the handling of comments responses and grievances (via fair and timely investigation), and
- Ensure that comments, responses, and grievances are handled in a fair, accessible and transparent manner, in line with the applicable reference framework (with acceptance in genuine cases from both parties).

1.5. Stakeholder Engagement and Grievance Redress Mechanism Principles

The stakeholder engagement and grievance redress processes for the Project will be based on the following principles:

- **Transparency and fairness:** The process for grievance resolution shall be transparent, in harmony with the local culture, and in the appropriate language. It should explicitly assure potential users that the mechanism would not impede their access to other judicial or administrative remedies.

- **Accessibility and cultural appropriateness:** Every member of the community or groups will have access to the grievance procedure. Any individual or group that is directly or indirectly affected by the Project's and its contractors' activities, as well as those who may have an interest in the Project or the ability to influence its outcome, either positively or negatively, can raise a grievance. To allow all stakeholders to have access to the mechanism, the grievance redress mechanism will be published in the local languages (Bislama and English) of the community and communicated to any vulnerable social groups in a clear and culturally appropriate manner to them.
- **Meaningful Information:** Meaningful information should be disclosed to the stakeholders to allow for active and informed engagement.
- **Channels of communication** are to be open throughout the Project for addressing each grievance by persons trained and capable of receiving and communicating with vulnerable social groups in a sensitive and culturally appropriate manner.
- **Written records:** A Grievance Record Register is maintained, in a prescribed Form, as discussed in *Section 5*, which includes the tracking process of resolution.
- **Dialogue and site visits:** All grievances are warrant of a meaningful conversation (site visit investigation by or telephone conversation with the GRM focal point or the GRM focal point's representative) with the complainant (and potential other stakeholders of relevance), to verify the nature and severity of the complaint. This will also give a first-hand understanding of the nature of the concern.
- **Incorporation of feedback:** The feedback received to-date from the engagement and grievance redress process shall be incorporated into the Project design, and the same shall be reported back to the stakeholders in a clear and culturally appropriate manner to all, including vulnerable social groups. The aim being that all parties are agreeable to the resolution (and that this is recorded appropriately).

1.6. Stakeholder Engagement Activities to Date

Stakeholder engagement activities were undertaken during the development of the Environmental and Social Management Framework (see Section H. Public Consultation and Information Disclosure of the ESMF) and the Resettlement Policy Framework in 2016 to support the initial design of VREP II.

Stakeholder engagement activities under the implementation of the VREP II Project started with the Inception Mission that was undertaken by the Consultant's representatives during August-September 2019 in Vanuatu (Port Villa). During this initial visit, consultations were undertaken with pre-identified major Project stakeholders. The preliminary discussions focused on the general scope of the Project, and on (i) Beneficiary Community Selection Criteria and Methodology; (ii) Technology preferences; (iii) Business Models; and (iv) Legal Framework.

The outcomes of the Inception Mission are documented in the Inception Mission report, which also includes the Inception Mission meeting notes and the Project Management Plan, provided by the Consultant to DOE on 16 October 2019. *Section 0* provides further details on the stakeholder engagement activities to-date.

1.7. Project Area of Influence

An area of influence for a project is defined in accordance with the potential environmental or social impact that is identified (e.g. noise, traffic, wastewater).

The Project has different Areas of Influence (Aol). These different Aols will be identified to evaluate in a meaningful manner any potential environmental, social and resettlement related implications in order to minimize adverse impacts and enhance project benefits.

The Project primary Aol will consist in a series of Aol: there will be one for each eligible communities' proposed site(s) for installing the VREP II electricity system. The Project primary Aol is relevant to identifying and managing the potential environmental and social sensitive receptors to the Project development.

In addition to those communities living within the Project's primary Aol at each community level, this SEF will also be used to guide engagement with non-community stakeholders, including NGOs, interested media, government officials, non-selected communities, etc. at the national level: this is the Project's secondary Aol.

1.8. Proposed Stakeholder Engagement Activities

1.8.1. Project Site Criteria and Selection Process

The development of the Project includes, amongst other elements, the definition and implementation of the site criteria and selection process. This process is being carried out in three steps:

- Initial step: DOE in conjunction with the Vanuatu National Statistics Office (VNSO) drew a '*Long List*' of communities potentially eligible to component II VREP II (completed in August 2019);
- First step: DOE, as the Project's Owner and with support of the Consultant, will select the '*Short List*' of communities invited to express interest in component II VREP II and propose potential hosting sites; and
- Second step: DOE, as the Project's Owner and with the support of the Consultant, will assess whether the proposed sites can be developed under component II VREP II and will evaluate any potential environmental, social and resettlement related implications in order to minimize adverse impacts and enhance project benefits.

1.8.2. Link between Site Selection Process and Types of Stakeholder Engagement Activities

DOE drew a '*community Long List*' of the communities located outside the concession areas. The Long List was made available to the Consultant in August 2019. This was the initial step.

Based on the outcomes of the August 2019 Inception Mission, the Consultant and DOE worked towards further refining the site selection criteria process beyond the community long list. The World Bank's Project Appraisal Document for the construction of mini-grid systems in Vanuatu, as 'Component II' of the Vanuatu Rural Electrification Project – Stage II (component II VREP II), defines the following initial criteria for selection of sites with potential to support a mini-grid:

- Community household numbers greater than 75 households; and
- Business and public institutions load greater than 50 percent of the total load.

Component II VREP II is further expected to support electricity service provision to approximately 550 rural households, which equates to around 2,750 people, and public institutions and businesses.

The development of the Project will follow a stepped process:

- The first step of the Project will follow a top-down approach: DOE drew during the initial step a '*Long List*' of communities that may be eligible to the mini grid Project, by identifying all the Vanuatu communities that are not located with the existing electricity concessions; during the first step of component II VREP II, COM was to endorse the selection criteria which are to be applied to the Long List of communities to define the selected communities (the '*Short List*');
 - ⇒ *Stakeholder engagement activities during this first step consist of interviewing relevant stakeholders during the inception mission and informing these stakeholders of the process;*
 - ⇒ *COM endorsed the selection criteria mid-November 2019;*
- The second step of the Project will follow a bottom-up approach: eligible communities will be invited to express their interest in participating to the Project; communities interested in having a mini-grid system installed within their community will be asked to propose one or more site(s) on government or church land, with the commitment that the community can provide the land for generation equipment and access for construction and for distribution lines;

- ⇒ *Stakeholder engagement activities during this second step will consist of inviting stakeholders to express their interest in the Project and to work, as a community, on identifying and suggesting potential suitable sites;*
- ⇒ *Stakeholder engagement activities during this second step will consist of explaining the mini grid Project to the communities (through letters, posters/ brochures, meetings);*
- The third step of the Project will consist of evaluating the proposed sites from a technical, social and environmental standpoint;
 - ⇒ *Stakeholder engagement activities during this third step will consist of consultation as part of an Environmental and Social Impact Assessment process commensurate to the anticipated risks and impacts of the mini-grid development;*

The below *Table 1* articulates the above proposed site selection criteria process, detailed in the Inception Mission Report.

#	Criteria	Observations
1	COMMUNITY LONG LIST CRITERIA – TOP DOWN APPROACH	
1.1	Number of Households and business and public institutions load	The Project aims to ensure the long term economic sustainability of the facilities to be implemented. In this context, the 'number of households' criterion seeks to improve the economic viability of the project. Preliminary analysis concluded that mini-grids in communities with a significant (50% or more) share of business load and village size above 75 households are likely to be economically viable. It is thus recommended that communities with the highest demand or potential for demand growth are offered the opportunity to be electrified first. Additionally, the electrification of the largest communities is expected to ensure the best value for the available Project budget. It will also help to reach a larger population, thus maximizing the expected positive impact of the Project.
2	COMMUNITY SHORT LIST CRITERIA – TOP DOWN APPROACH	
2.1	Clustering	The 'clustering' criterion seeks to ensure that the communities to be selected are located in a limited geographical region rather than spread out across the country. By reducing the potential dispersion, the aim is to minimize the logistic costs during the Project's construction phase (capital expenditure or CAPEX), and later on during the operation and maintenance of the future facilities (operating expenditure or OPEX). In order to do so, it is proposed to select all the beneficiary communities within the same island.
3	COMMUNITY SITE SELECTION CRITERIA – BOTTOM UP APPROACH	
3.1	Interest from the community	Selected communities will be invited to express interest in gaining electricity access through the Project ('Expression of Interest (EOI) process'). The 'interest from the community' criterion is to ensure that the selected communities are given the opportunity to choose in having access to electricity and being part of the Project.
3.2	Availability of Land	Selected and interested communities will be invited to donate land for the Project, to be used for sitting generation equipment and for providing access for distribution lines in return for receiving access to electricity. Sitting of generation and related equipment on public land and on suitable land from an environmental and social perspective will be prioritized. Only the selected communities able to demonstrate that have available land for the Project implementation will be eligible.
3.3	Final Screening	Communities that have shown interest through the EOI process and meet the minimum requirements for land donation will go through a final check from the Project team. The check from the Project team will include a field visit by the Consultant and the Project's Owner to confirm that there are no major impediments to implement the Project in each of the candidate communities.
4	PROJECT SITE SELECTION CRITERIA – BOTTOM UP APPROACH	
4.1	Technical Adequacy	Within each of the candidate communities, the Project team will assess the adequacy of each of the potential Project sites proposed to install the facilities from a Technical, Social and Environmental standpoint.

Table 1. Project Proposed Site Selection Methodology

The economic results and financial performance of the Project are critical to ensure the long-term sustainability of the Project and are recognized as challenging (World Bank's Project Appraisal Document paragraph 67). Electrification for households where mini-grids are not likely to be economic or financially viable will be through solar home systems or micro-grids as least-cost solutions. Financial viability of the mini-grids remains an issue,

so the mini-grids are expected to be subsidized while balancing the impacts on the government, the service providers, the end users (beneficiaries) and the communities.

As such, approximately 5 to 8 mini-grids are proposed initially as a piloting phase and are defined as sub-projects to the Project. Rollout of mini-grids beyond this initial stage of component II VREP II will be subject to recalibration and lessons learnt from the piloting phase.

2. Project Stakeholders

2.1. Introduction

Stakeholders are persons or groups who are directly or indirectly affected by a project or may be (project-affected parties), as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively (other interested parties). Stakeholders may include locally affected communities or individuals and their formal and informal representatives, national or local government authorities, politicians, religious leaders, civil society organisations and groups with special interests, the academic community, or other businesses.

The “stake” that each of these different individuals or groups has in a project or investment will vary.

This Section presents the stakeholder groups and provides a preliminary identification and mapping of the stakeholders for the Project, based on the current understanding of the Project context and electricity system in Vanuatu, and on the outcomes of the inception mission undertaken in August-September 2019. The stakeholder identification and mapping will be refined as the Project development progresses.

The following *Figure 3* summarises the planned functional and reporting arrangements of the Project, and provides a context to the Project stakeholder identification.

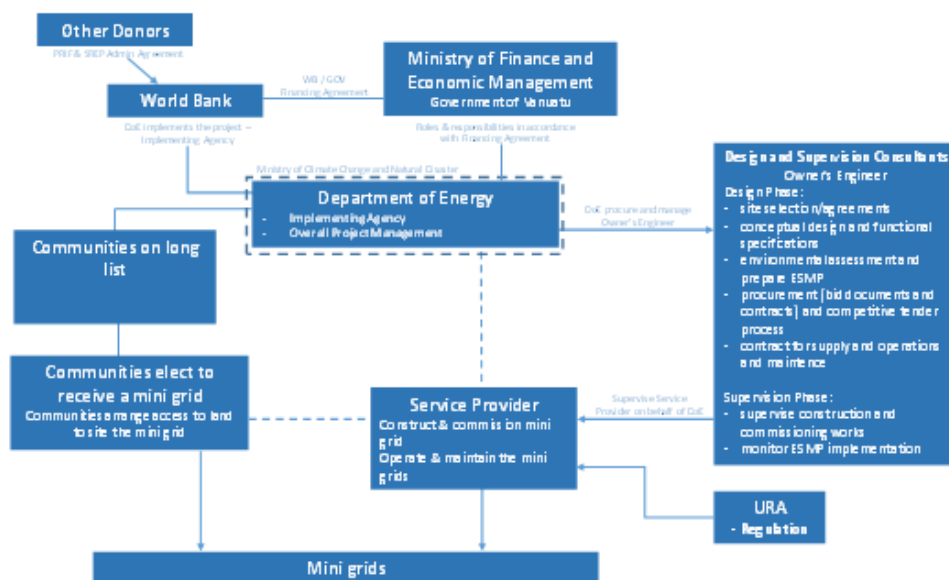


Figure 3. Project Functional and Reporting Arrangements

2.2. Stakeholder Identification

The identified stakeholder groups at this stage of the Project are, at both the Project level and the mini-grid sub-project level:

- External to the core operation of the mini-grid sub-projects: communities (in particular those identified on the long list and included in the short list), national, provincial and local government authorities, non-governmental and other civil society organisations, local institutions (such as customary and non-customary institutions, health centres, schools, etc.) and other interested or affected parties;
- Internal to the core operation of the mini-grid sub-projects: suppliers, contractors, distributors, regulators, customers (who should be the same as the short-listed communities);

Given the current stage of the Project (i.e. first step: some communities have been long-listed), the stakeholders at the mini-grid sub-project level of the short-listed communities cannot yet be identified. This document will be updated as the Project progresses.

The following *Table 2* lists the identified stakeholders, explains their relevance to the Project and presents whether they are deemed “Affected” parties by or “Interested” parties to the Project.

Stakeholders	Type	Relevance to the Project
Long-listed communities	Affected	DOE has drawn a ' <i>long list</i> ' of communities that may be eligible to the mini grid Project, by identifying all the Vanuatu communities that are not located with the existing electricity concessions.
- Including: Short-listed communities	Affected	Short-listed communities that qualifies will be invited to express interest for the mini grid Project and to propose sites that satisfy the criteria communicated by DOE: they will be provided information as to how to express interest, how to select potential sites and how to share information with DOE on these proposed sites
- Including: Long-listed communities not short-listed	Interested	Long-listed communities that do not qualify for the mini grid Project may still be made aware of the Project and should be provided information on the Project and the selection criteria (why they did not qualify)
Within short-listed communities: individuals, vulnerable social groups, community leaders, churches, health facility management, school management, etc.	Affected	It will be possible to identify further the potentially affected or interested stakeholders for each mini-grid sub-project once the interested short-listed communities are known, along with their proposed sites for the mini grid Project
Traditional Authorities of the invited communities	Affected	Each village or community has its own Chief who has been ordained in that authority following the rule of custom special to that respective island or area. The main function of a Chief is to take care of his people, including their safety, well-being and ensure that Peace, harmony and unity is maintained at all times. Depending on which community is selected for the Project, the Chief must be informed about the Project, particularly on the benefits that the Project will generate for his community. The support of the Chief is essential to the Project in terms of ensuring availability of space for the facility to be built, relevant provision of resources as well as maintenance requirements.
Local NGOs, including gender organisations (Vanuatu National Council of Women, Vanuatu Women's Center, youth centers, etc.) representing members of the invited communities	Affected	These will include the Vanuatu Red Cross, Save the Children and other locally-based NGOs in or near the short-listed communities who will be able to represent vulnerable populations who may be impacted by the mini grid Project but may not be able to express their voice directly.
Local Churches representing members of the invited communities	Affected	<p>Denominations present within communities are usually receptive to projects that create positive impacts in their lives. They also may be able to represent vulnerable populations who may be impacted by the mini grid Project but may not be able to express their voice directly.</p> <p>Project mitigation measures will integrate consideration for the hours of work in consideration of respecting the day of worship for members of the community.</p>

Department of Energy (DOE)	Interested	DOE is in charge of the electricity concessions management and is the Owner of the mini grid Project DOE will confirm the conditions that qualifies the eligibility of communities (the short-listed communities) to be invited to express interest for the mini grid Project
Ministry of Climate Change Adaptation, Meteorology & Geo-Hazards, Environment, Energy and Disaster Management	Interested	The Ministry oversees DEPC
Department of Environment Protection and Conservation (DEPC)	Interested	DEPC is in charge of protecting and conserving Vanuatu's terrestrial and maritime biodiversity. DEPC manages the local environmental and social impact assessment process, for instance consenting environmental permits under the Environmental Protection and Conservation Act (2002) and reviewing the Preliminary Environment Assessment (PEA) of projects before advising on whether an Environmental Impact Assessment (EIA) to local standards is required, or implementing the Waste Management Act (2014)
Department of Local Authority (DLA)	Interested	DLA connections through the country is comprehensive, with 71 Area Councils (with councilors elected every 4 years) and 36 Area Administrators (with civil servants / Public Service Commission (PSC) staffs) in parallel to the Technical Advisory Committee (TAC) within each of the 6 Provincial Governments established under the Decentralisation Act (monthly meetings): each Provincial Government also has a Secretary General who is the most senior PSC staff in the Provincial Government and who chairs the TAC DLA will support the information and stakeholder engagement processes.
Energy Steering Committee (ESC)	Interested	Comprehensive group including representatives from major departments responsible for overseeing the implementation of VREP.
Development Committee Officials (DCO)	Interested	Responsible for reviewing all policy papers which seeks COM endorsement providing advise to decision-makers.
Council of Ministers (COM)	Interested	Responsible for endorsing the Selection Criteria and Process
Relevant Provincial Government(s)	Interested (“Affected” for the Province(s) of the invited communities)	According to DLA, the relevant Provincial Government(s) should also help support the information and stakeholder engagement processes Within the Area Council level, the Area Administrator manages a Technical Advisory Group that provides support to the TAC.
Department of Strategic Policy, Planning & Aid Coordination (DSPPAC)	Interested	According to DSPPAC, the relevant Provincial Government(s) should also help support the information and stakeholder engagement processes DSPPAC works with DOLA (on water and electricity access)
Department of Agriculture (DOA)	Interested	According to DSPPAC, DOA works with Department of cooperatives on food security programs, with the support of the European Union

Department of Tourism (DOT)	Interested	<p>DOT oversees the 42 categories of tourism products: each has their own standards (e.g. water, toilet facilities) and owners are responsible for securing electricity access</p> <p>Touristic activities in the country are not officially mapped and there is no tourism-related grievance mechanism in place</p> <p>The upcoming Vanuatu Sustainable Tourism Policy highlights the equal participation of women</p>
Department of Health (DOH)	Interested	<p>DOH oversees aid posts, clinics, dispensaries (feeders to health centres), health centres, 7 hospitals (4 in concession areas, 3 outside in Lolowai on Ambae, Abwatuntora on North Pentecost & Melsisi on Central Pentecost)</p> <p>Clinics, dispensaries and health centres are located in areas deemed populated enough and accessible to a certain number of people and tend to be on Government-secured large parcels of land</p> <p>Sites are envisaged to be located on Government-land such as land of health facilities</p>
Department of Fisheries (DOF)	Interested	<p>DOF has provided c.116 solar PV freezers to some communities via the Fishers Association (rename from "Fishermen Association" to recognize the role played by women in the fishery sector, in particular through economic activities on more added-value fishery products); one solar PV freezers support 5-10 fishermen</p> <p>DOF is responsible for supplying electricity for fish storage, addressing food security and fish production (Department of Cooperatives is responsible for fish supply chain and consumption)</p> <p>Women are involved in cleaning catches, selling fish on the markets and fish supply chain work</p>
Department of Education (DOEd)	Interested	<p>DOEd is supporting some schools to upgrade but need increased electricity supply for such initiative</p> <p>Sites are envisaged to be located on Government-land such as land of schools: primary schools are mostly on community-donated land, secondary schools are on larger land not all secured</p>
Department of Cooperatives (DOC)	Interested	<p>Department of Cooperatives is responsible for various Agricultural and Fisheries supply chain and consumption</p> <p>Fish value-added products require electricity for production / manufacturing</p>
Department of Land (DOL)	Interested	<p>DOL gathers maps showing land use, public land, vegetation, etc. (VNSO would have the coordinates of each house)</p> <p>DOL manages Vanuatu land: schools and airports are generally on public land, health facilities can be on public land and there is further public land on Sola, Luganville, Efate and Pentecost; all other land is either private or customary land, managed under the Customary Land Management Act</p>

Department of Women Affairs (DWA)	Interested	<p>Vanuatu is preparing its Gender Parity Policy and DWA has representations at the Provincial level</p> <p>DWA oversees various aspects, for instance the evacuation centres (that need lighting and power to secure them better)</p> <p>DWA has decentralised its functions to also include Gender Officers based within the 6 Provincial Government offices. As such, if, for instance, the mini-grid facilities are to be built on Malekula, then, the Gender Officer of Malampa Provincial Government office would question/query on the gender mainstreaming aspects of the project.</p>
Vanuatu National Statistics Office	Interested	VNSO records extensive granular data on socio-economic and gathers maps with coordinates of each house
Vanuatu Utilities Regulatory Authority (URA)	Interested	Regulatory authority of the electricity sector in Vanuatu – oversees the management of the electricity concessions (currently 4 awarded to VUI and UNLECO)
State Law Office	Interested	While DOE manages the negotiations for the electricity concessions, the State Law Office supports with the contractual arrangements
Provincial and Local (Area) Authorities	Interested	<p>The Provincial Government reports to DOE. There are presently 6 Provincial Governments, namely the following:</p> <ol style="list-style-type: none"> 1. Shefa Provincial Government – Main office is located on Port Vila, Efate Island. The jurisdiction covers Efate, Shepherd Islands and Epi 2. Sanma Provincial Government – Main office is located on Luganville, Santo Island. The jurisdiction covers Santo, Malo and Aore 3. Tafea Provincial Government – Main office is located on Isangel, Tanna Island. The jurisdiction covers Tanna, Futuna, Erromango and Aneitym 4. Malampa Provincial Government – Main office is located on Lakatoro, Malekula. The jurisdiction covers Malekula, Paama, Ambrym. 5. Penama Provincial Government – Main office is located on Saratamata, Ambae. The jurisdiction covers Ambae, Maewo and Pentecost 6. Torba Provincial Government – Main office is located on Sola, Vanualava, Banks Island. The jurisdiction covers Banks Islands and Torres Islands. <p>Within each Provincial Government, the Secretary General who is the most senior Public Service Commission (PSC) civil servant in the Provincial Government acts chairs the Technical Advisory Committee (TAC).</p> <p>The TAC meets monthly to discuss various sectoral issues; each TAC member (civil servant) then works with Area Administrators (civil servants) who are the entry points to their communities through local Technical Advisory Groups, including access to the traditional governance system.</p>
VUI (private sector)	Interested	Vanuatu Utilities & Infrastructure, a subsidiary of the American company Pernix Group, Inc., operates the Luganville electricity concession as well as the Sola and Mosina Mini Grids on Vanua Lava, the Talise Hydro on Maewo and the Mini Grids on Ambae (Saratamata, Lolowai and Longana)

UNELCO (private sector)	Interested	Unelco, a 60% subsidiary of the French company Engie – 40% Vanuatu National Provident Fund, operates the Efate Island, Norsup (on Malekula Island) and Lenakel (on Tanna Island) electricity concessions
Solar Vendors (private sector)	Interested	To be identified – private vendors of solar PV parts
Solar PV EPC – O&M Contractors and their sub-contractors (private sector)	Interested	To be identified – private actors
NGOs, including gender organisations (Vanuatu National Council of Women, Vanuatu Women's Center, youth centers, etc.) at the national/ regional level	Interested	These will include the Vanuatu Red Cross, Save the Children.
Churches at the national/ regional level	Interested	Denominations present within communities are usually receptive to projects that create positive impacts in their lives.
Traditional Authorities at the national/ regional level	Interested	Traditional authorities represent the communities and act on their behalf.
World Bank	Interested	<p>The World is a multilateral development bank that is part-financing the VREP II Project and is providing guidance on environmental and social requirements for the Project development (in terms of communities' ability-to-pay, land acquisition process, vegetation cover density of re-identified sites, stakeholder engagement, etc.) through:</p> <ul style="list-style-type: none"> - the Environmental and Social Management Framework (ESMF) dated December 2016 and in particular Annex 1 Environmental and Social Impact Assessment Checklist to be completed and annexed to the Preliminary Environmental Assessment submission documents to DEPC for each mini-grid sub-project in due course - the Resettlement Policy Framework (RPF) dated December 2016 - the World Bank Group Environmental and Social Framework dated October 2018
National Disaster Management Office (NDMO)	Interested	<p>NDMO is responsible for ensuring safety and comfort of people during natural and man made disasters.</p> <p>Communication devices such as Tele Radio and Satellite communication will be very useful in disasters that affect the GSM communication towers.</p>

Table 2. Stakeholder Identification

2.3. Stakeholder Mapping and Analysis

Stakeholder mapping is a process of examining the relative influence that different individuals and groups have over a project as well as the influence of the project over them. The purpose of a stakeholder mapping is to:

- Study the profile of the stakeholders identified and the nature of the stakes;
- Understand each group's specific issues, concerns as well as expectations from the project that each group retains; and
- Gauge their influence on the project.

Based on this understanding, the stakeholders are categorized as High Influence/ Priority, Medium Influence/ Priority and Low Influence/ Priority. The stakeholders who are categorized as high influence are those who are expected to have a high influence over the Project or are likely to be heavily impacted by the Project activities: they should thus be high up on the Project's priority list for engagement and consultation.

Similarly, the stakeholders categorized as medium influence are those who are expected to have a moderate influence over the Project or even though they are to be impacted by the Project, such impact is deemed unlikely to be substantial: these stakeholders should thus be neither high nor low on the Project's engagement list. Lastly, stakeholders deemed with low influence are those who are expected to have a minimal influence on the decision-making process or are to be minimally impacted by the Project: they should thus be low on the Project's engagement list.

The following *Table 3* provides brief profiles of the various stakeholders in the Project and their likely degree of influence, and is illustrated further under *Figure 4*:

Stakeholder Category	Stakeholder Group	Magnitude of Impact/ Influence	Stakeholder Significance
AFFECTED STAKEHOLDERS			
Community	Beneficiary households	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
	Beneficiaries businesses	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
	Host Community (short-listed)	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Low	Urgent
Government Bodies	Energy Steering Committee (ESC)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Development Committee Officials (DCO)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Council of Ministers (COM)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Department of Energy (DOE)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Department of Health (DOH)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Department of Education (DOEd)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Department of Land (DOL)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate

	Department of Environment Protection and Conservation (DEPC)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Provincial and Local (Area) Authorities	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
Other Groups	Traditional Governance System	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Solar PV EPC contractors and sub-contractors, O&M contractors	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: High	Urgent
OTHER INTERESTED STAKEHOLDERS			
Community	Local Community (not short-listed)	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
Local Government Authorities	Department of Local Authority (DLA)	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Municipal Councils	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Provincial Council	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
Institutional Stakeholders	World Bank	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: High	Urgent
	Departments of Strategic Policy, Planning & Aid Coordination (DSPPAC), Agriculture (DOA), Tourism (DOT), Fisheries (DOF), Cooperatives (DOC), Women Affairs (DWA), Vanuatu National Statistics Office, State Law Office	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
Other Groups	Existing Concessionaires (VUI, UNELCO)	Impact of Project on Stakeholder: Low Influence of Stakeholder on Project: High	Urgent
	Solar Vendors	Impact of Project on Stakeholder: Low Influence of Stakeholder on Project: High	Urgent
	National Political Parties	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: High	Moderate
	Media	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	NGOs/CSOs operating in Vanuatu / the sub-project area	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Local Churches	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate

Table 3. Stakeholder Analysis

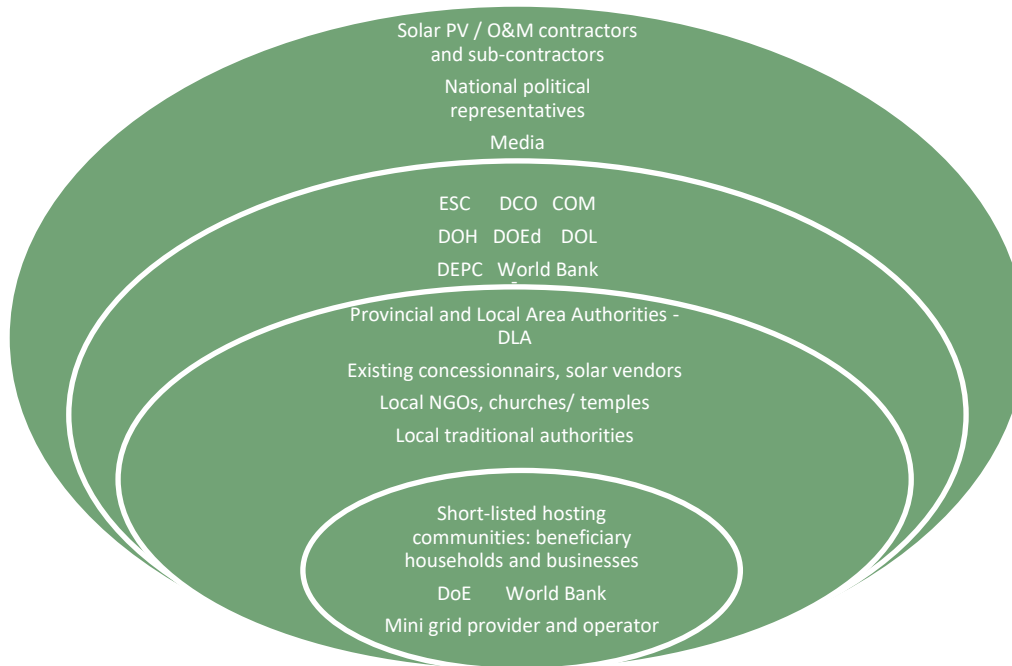


Figure 4. Stakeholder Mapping

2.4. Potentially Vulnerable / Disadvantaged Stakeholders

2.4.1. Definition of Vulnerable / Disadvantaged Stakeholders

It is particularly important to understand whether the Project may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project. The Vanuatu National Disability Inclusive Development Policy (NDIDP) 2018-2025 refers to the United Nations definition of persons with disability as persons 'who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others'⁸. Impairments are problems in body function or structure, such as a significant deviation or loss. Disability may be experienced by people of any age – children, young and older people, exacerbating sometimes the existing vulnerability of some (e.g. children and older people). Persons with disabilities often lack equitable access to the same opportunities enjoyed by their peers without disabilities. Vulnerable or disadvantaged individuals or groups can thus be:

- Female-headed households, who may be impaired from accessing information because they are disproportionately impacted by poverty, access to resources or lack of voice in the community, or because they have limited time to participate because of their activities and various commitments, but could be adversely impacted by Project activities such as workers influx;
- Elderly people, who may be impaired from accessing information, maybe because they are incapacitated to read, to hear or to walk, or because they live alone and at a distance that prevent them from accessing information available in public places or near the sub-project sites, even though they might be adversely impacted by construction activities such as noise;
- People with disability who may also be impaired from accessing information and yet be adversely impacted by Project activities if for instance these generate obstruction works on a road which would adversely impact people using wheelchairs or visually-impaired persons;

⁸ Source for the Section: https://mjcs.gov.vu/images/policy/DID_Policy_2018-2025.pdf (accessed 14 November 2019)

- Youth and children , whose views may not be listened to but who may be adversely impact by Project activities such as increased traffic or community health and safety impacts;
- Indigenous or ethnic minority households (in the case of the mini grid Project, living within each of the short-listed communities), whose values, land or culture may be directly or indirectly affected by the Project; and
- Households deemed to reside below the poverty lines, or whose income is significantly lower than the average income of their surrounding communities, that may be affected by the Project and therefore their income status could be further impacted.

NDIDP provides a guideline for action for national and provincial government and non-government stakeholders across Vanuatu to work towards the goals outlined in Vanuatu 2030: The People's Plan of a disability inclusive development. Analysis by UNICEF in 2014 of the 2009 census found that 5 per cent of the population reported having a disability.

Vulnerable or disadvantaged individuals or groups may thus be typically limited in getting access to disclosure or participatory activities linked to the Project, the following Section will be updated as the Project progresses through the pre-construction stage when the short-listed communities are invited (first step) and the sites are identified by these communities (second step).

2.4.2. Identification of Vulnerable / Disadvantaged Stakeholders

Once the first step of the mini grid Project implementation (when COM endorses the selection criteria that define the eligible communities (the 'Short List')) is completed and the second step of the mini grid Project implementation starts (when eligible communities are invited to express their interest in participating to the Project and, if interested, are asked to propose one or more site(s) on government or church land, with the commitment that the community can provide the land for generation equipment and access for construction and for distribution lines), the following *Table 4* will be updated.

The following *Table 4* presents an example of how the potential vulnerable or disadvantaged individuals or groups identified within each short-listed community can be involved in the Project disclosure and consultations, specifying potential support or resources that may help involved them in the Project. This identification will be further refined as the Project progresses.

Community	Stakeholder Group	Key Characteristics	Language needs	Preferred notification means	Specific needs
Nationwide	All	All	Official languages (Bislama and English)	Written information (DOE's website)	Short and concise messages
Short-listed Community A	Female-headed households (widows, divorced, separated)	Approximately x households out of y; z children	Official languages (Bislama and English)	SMS, poster at XYZ, visit with civil society representative or Project focal point from Area Administrator (preferably woman)	Child care for meetings – timing: later afternoon preferred
	Elderly/ elderly households	Approximately x households or y persons	Official (Bislama and English) and Alternative languages if relevant	Visit with translator and civil society representative or Project focal points from Area Administrator (one man, one woman)	Graphics/ visuals – timing: daytime
	Indigenous Peoples	Approximately x households out of y; z children	Language alternative if relevant and/or official language (Bislama and English)	Visit with translator and civil society representative or Project focal points from Area Administrator (one man, one woman)	Graphics/ visuals

Short-listed Community B					

Table 4. Summary of Project Vulnerable/ Disadvantaged Stakeholder Needs

2.4.3. Taking Into Account Vulnerable / Disadvantaged Stakeholders

All the parties undertaking the Project (Project Owner, Consultant, Contractors and Sub-Contractors, etc.) should make sure their representatives understand who the vulnerable or disadvantaged individuals or groups may be to adapt their communication approaches and the Project design and planning accordingly.

3. Public Consultation and Disclosure Programme

3.1. Introduction

In keeping with the applicable reference framework and the expectations of the stakeholders, the Project will undertake regular engagement with the key stakeholder groups identified through the life of the Project. Based on the previous engagement activities and the profile of the stakeholders thus developed, certain engagement activities have been identified for the Project going forward, as described in this *Section*. The primary objective of these engagement activities is to allow the stakeholders to interact with the Project and contribute towards its planning and for the Project to be developed in an effective and culturally appropriate manner.

At the time of writing this document, the initial step of the Project has been completed (see *Section 1*), while the following steps are to be undertaken. The Project pre-construction stage is now divided between two upcoming steps with different associated stakeholder engagement activities:

- First step: information disclosure at the national level to:
 - invite the short-listed communities to express interest in VREP II and propose potential hosting sites, and
 - inform all communities (on the long list or not), through information that will be in the public domain, on the Project process and decisions; and
- Second step: consultation at the community level with each of the short-listed communities that have expressed interest and proposed potential sites to be developed under VREP II to undertake an environmental and social impact assessment, including stakeholder engagement.

This *Section* describes the proposed Project communications strategy in further details.

3.2. Practicalities

All stakeholder and community consultations are to be documented, logged, with participants registered and their signature recorded to document attendance.

Consultations will be undertaken by DOE and the Consultant with an introduction, a presentation of the Project and its parties, a question and answer session and a conclusion. Contact details of the relevant parties to the Project will be shared and support material will be prepared so as to be understood by the stakeholders (in terms of languages and visuals, for instance). The contact details (please see *Table 9* and *Table 10* for their respective telephone numbers and email addresses at the time of writing this SEF are:

- Community Liaison Office and DOE representative: Matthew Tasale
- Consultant: Ernest Bani
- Grievance Redress Mechanism focal point: Anthony Garae

All methods of engagement will also consider custom and cultural importance of the given area such as gesture, personal presentation and language.

All information collected will be summarised and confirmed with stakeholders at the end of the discussions. Stakeholders will also be given time to share their concerns and views and any further clarifications they required at the end of the meetings. All queries raised by the stakeholders are to be responded to, and noted to feed into the environmental and social impact assessment process. The Project Owner assisted by the Consultant will describe how the views of vulnerable or disadvantaged groups will be sought during the consultation process and which measures will be used to remove obstacles to participation (e.g. separate mechanisms for consultation and grievances, developing measures that allow access to project benefits, and so forth) when documenting the environmental and social impact assessment process.

3.3. Pre-Construction Stage Step 1: Proposed Disclosure Activities

3.3.1. Format

Disclosure activities are envisaged during step 1 of the Project. The related information that will be provided by the Project may fall in the public domain – information will be accessible to anyone interested. Such activities should drive active communication by DOE and other interested stakeholders with potential beneficiary communities, acknowledging that non-beneficiary communities (identified on the long-list or located in concession areas) may access the communication as well.

3.3.2. Purpose

The disclosure activities during step 1 of the Project should aim at:

- Explaining the Project (confirmed Project activities only) and the selection criteria; and
- Inviting the selected communities (on the short list) to express interest and organize themselves to identify and propose sites for the mini-grids.

3.3.3. Key Messages

The contents of the communication to the short-listed communities should include the below information:

- The Project, as per *Section D* of the Resettlement Policy Framework (December 2016) and *Section 1* of this Stakeholder Engagement Framework;
- The purpose of the Project and the criteria used to choose communities invited to express interest (see *Section 1*);
- Benefits/ advantages of electrification and of the proposed technology (i.e. mini-grids);
- The need for tariffs to be paid, costs, obligations and other financial requirements for participating and preliminary confirmed information on the business model of the mini-grids and how they will be developed, at the construction and at the operation stages;
- The criteria for choosing potential sites for the installation of the generation facilities and in particular:
 - Vacant Government-owned land (it can be near schools or health facilities);
 - Church-owned land;
 - Customary land in accordance with the World Bank Voluntary Land Donation Protocol (least-preferred option); or
 - Privately-owned land (on a willing-buyer/ willing-seller basis).
- The requirements for the community on:
 - how to express interest using the Expression of Interest (Eoi) form annexed to this SEF;
 - how to choose the potential community sites that could be suitable for a sub-project, taking into consideration environmental and social aspects;
 - how to describe such site(s) in the Eoi form;
 - The technical, environmental and social criteria for choosing a good site to install the generation facilities (flat topography, easily accessible, close enough to the users, low or no vegetation, no tree of conservation significance to be cut, not at risk of flooding, not too close of sensitive habitat, scared sites, water sources, etc.);

3.3.4. Methodology

DOE will send an invitation letter to all short-listed communities to invite them to express interest and, if interested, to propose sites for the mini-grids, using the Expression of Interest form (annexed to this document).

The following *Table 5* summarises the proposed disclosure activities during step 1 of the Project.

Project Stage	List of Information to be Disclosed	Methods Proposed	Timetable: locations/ dates	Target Stakeholders	Percentage Reached	Responsibilities
Pre-construction Stage - Step 1: short-listed communities	High-level information about the Project, its benefits, the short-listed communities and how they were selected, what the selected communities are invited to do next, along with introducing the GRM	Invitation letter and EoI form from DOE	End Dec.2019/ January 2020	Short-listed communities Interested and other Affected stakeholders via DLA, relevant Provincial government(s) and relevant Area Council Administrators/ Secretaries	100% of short-listed communities representatives (official and traditional)	Project Owner

Table 5. Proposed Disclosure Activities: Communications Action Plan Project Pre-Construction Stage Step 1

3.4. Pre-Construction Stage Step 2: Proposed Consultation and Disclosure Activities

3.4.1. Format

Both consultation and disclosure activities are envisaged during step 2 of the Project Pre-Construction Stage by DOE and the Consultant with the short-listed communities to discuss the environmental and social aspects of the sites proposed by them. The related information that will be provided by the Project will be in the public domain of the short-listed communities though may be accessible to anyone interested. Such activities should drive active discussions led by DOE with other interested stakeholders, acknowledging that non-beneficiary communities (identified on the long-list or located in concession areas) may have access to the communication as well.

The contact details (please see *Table 9* and *Table 10* for their respective telephone numbers and email addresses) at the time of writing this SEF are:

- Community Liaison Office and DOE representative: Matthew Tasale
- Consultant: Ernest Bani
- Grievance Redress Mechanism focal point: Anthony Garae.

3.4.2. Purpose

The consultation and disclosure activities during step 2 of the Project should be an iterative process that aims at:

3.4.2.1. Initial Purposes

- Introducing Project team members: Project Owner/ Project proponent (DOE), Owner's Engineer/ Consultant, etc.;
- Meeting with the selected communities (on the short list) to clarify the Project further and in person, using oral and written communication support (brochure in the form of flyers, posters/ wallpapers, etc.); the said communities shall include community inhabitants, women, vulnerable groups, schools, medical centres, small business owners, etc.;
- Presenting and explaining the Stakeholder Engagement Framework and the GRM;
- Ensuring the Project provides benefits across the community and potential social risks from the Project are avoided or mitigated.

3.4.2.2. Complementary Purposes

- Assessing any specific Project-induced adverse impacts, especially on vulnerable social groups;
- Introducing Project team members: representatives from Project Owner/ Project proponent (DOE), Owner's Engineer (Consultant, including environmental and social safeguards specialists), Contractors (EPC Contractor, sub-contractors);
- Providing an overview of the Project and the reasons for selecting the community and the site(s) to be part of the Project;
- Introducing the environmental and social safeguards specialists and inform the community on what their role is (preparing the environmental and social impact assessment process under the ESIA approval process and timing to be explained, presenting the World Bank Safeguards and other Reference Framework; how they will support the consideration of women, children, young people, people with disability and safety of the community especially during construction by all parties to the Project);

3.4.3. Key Messages

The consultation and disclosure activities during step 2 of the Project Pre-Construction Stage should include key messages to be conveyed to all stakeholders. These include information on:

- The main objective of the Project is to be long-lasting, that is to be sustainable from a financial, environmental and social perspective;
- The Project aims to ensure a willingness-to-pay by potential consumers of the identified communities, as well as, for each sub-project, to have a minimum 50% of total demand driven by public institutions and businesses;
- Proposed footprint size of each mini-grid is expected to be between 600 and 1200 sqm;
- Maintenance of the mini-grid will be managed and conducted by a service provider, which may or may not work with sub-contractors;
- No land is planned to be acquired for the Project because the most preferred option is land that is readily available and it is government owned land or otherwise it is donated by the communities;
- In choosing a suitable site for the installation of the PV plant, there must be minimal to no vegetation as maximum amount of sunlight must be captured;
- The World Bank Safeguards policy is to be applied throughout the entire life of the Project: this includes abiding by the local regulatory and customary framework, to consider people, their rights, the environment, custom and culture of the area, women, youth, children, people with disability;
- As such, a Stakeholder Engagement Framework (SEF) is in place and will be updated as the Project progresses, with a Community Liaison Officer (CLO) from DOE:
- Community Liaison Office and DOE representative: Matthew Tasale (please see *Table 9* for CLO's telephone numbers and email address); The Stakeholder Engagement Framework (SEF) includes a Grievance Redress Mechanism (GRM) available to all stakeholders and that is coordinated by a GRM focal point from DOE:
 - Grievance Redress Mechanism focal point: Anthony Garae (please see *Table 9* for CLO's telephone numbers and email address).

3.4.4. Methodology

The consultations should include meetings and interviews with government officials and key local informants, such as traditional leaders (paramount chief of the village, assistant chief), other key local representatives (chairman of the village council, church leader or pastor, women's representative, representatives from NGOs and CSOs).

The stakeholder consultation meetings are to be structured as follows:

- Introduction and information disclosure: introduce the Project Owner/ Project proponent (DOE), the proposed stakeholder engagement process, the environmental and social impact assessment process, including the potential environmental and social impacts and mitigations to help the stakeholders understand the Project and the Project Owner's intentions for engagement and potential mitigation measures, ; timelines for Project phases and key decisions, as well as deadlines for comments will be detailed; further detail will be provided on how people will be kept informed as the Project develops, including reporting on Project environmental and social performance, implementation of the stakeholder engagement plan and grievance mechanism (minimum annual reporting to stakeholders, and more frequently during particularly active periods, when the public may experience more impacts or when phases are changing (for example, quarterly reports during construction, then annual reports during implementation);
- Question and answer session for all stakeholders in the consultation meetings to raise concerns, comments or ask questions to which the Project Owner can directly respond; how comments will be gathered (written and oral comments) and reviewed will be explained, and commitment made to

reporting back to stakeholders on the final decision and a summary of how comments were taken into account; and

The following **Error! Reference source not found.** summarises the proposed disclosure activities during step 2 of the Project.

Project Stage	List of Information to be Disclosed	Methods Proposed	Timetable: locations/ dates	Target Stakeholders	Percentage Reached	Responsibilities
Pre-Construction Stage Step 2: selecting sub-project sites	Detailed information about the Project, its benefits, the short-listed communities and how they were selected, what the selected communities are invited to do next	Road-show by DOE to, poster on community boards of, official correspondence to that includes the Expression of Interest (Eol) invitation letter and form: <ul style="list-style-type: none"> - Short-listed Community A - Short-listed Community B - Short-listed Community C - Short-listed Community D - Short-listed Community E - Other places as deemed relevant 	Official correspondence December 2019, poster throughout, one half-a-day session in each identified place in January 2020	Short-listed communities, with a particular emphasis on ensuring women and other potentially vulnerable / disadvantaged people are engaged and that all short-listed community members are well informed and have a chance to participate	100% of short-listed communities representatives (official and traditional)	Project Owner (DOE) assisted by Consultant

Table 6. Proposed Disclosure Activities: Communications Action Plan Project Pre-Construction Stage Step 2

3.5. Pre-Construction Stage Step 3: Proposed Consultation and Disclosure Activities

3.5.1. Format

Both consultation and disclosure activities are envisaged during step 3 of the Project Pre-Construction Stage with the short-listed communities to assess the environmental and social impacts of the selected sites. The related information that will be provided by the Project will be in the public domain of the short-listed communities though may be accessible to anyone interested. Such activities should drive active discussions led by DOE with other interested stakeholders, acknowledging that non-beneficiary communities (identified on the long-list or located in concession areas) may have access to the communication as well.

3.5.2. Purpose

The consultation and disclosure activities during step 3 of the Project should continue the iterative process that aims at:

3.5.2.1. Underlying Purposes

- Introducing again Project team members: Project Owner, Owner's Engineer (Consultant, including environmental and social safeguards specialists), Contractors (EPC Contractor, sub-contractors);
- Meeting with the short-listed interested communities to present the mini-grid Project in detail, using oral and written communication support (flyers, wallpapers, etc.) ; the said communities shall include community inhabitants, women, vulnerable groups, schools, medical centres, small business owners, etc.;
- Presenting and explaining the Stakeholder Engagement Framework and its Grievance Redress Mechanism;
- Ensuring the Project provides benefits across the community and potential social risks from the Project are avoided or mitigated.

3.5.2.2. Specific Purposes

- Establishing the socio-economic baseline of the sub-projects' relevant Area of Influence;
- Assessing any specific Project-induced adverse impacts, especially on vulnerable social groups;
- Undertaking the environmental and social impact assessment process under the ESIA approval process, presenting the World Bank Safeguards policy and other Reference Framework; how they will support the consideration of women, children, young people, people with disability and safety of the community especially during construction by all parties to the Project;
- Presenting the mini grid contractor which will be in charge of building the mini grid system and how it will work (duration, description of PV plant, resources required, hours of work, labour/employment, cultural sensitivity, equipment to be used, health and safety for the community, emergency preparedness, etc.);

3.5.3. Key Messages

The consultation and disclosure activities during step 3 of the Project Pre-Construction Stage should include key messages to be conveyed to all stakeholders. These include information on:

- The main objective of the Project is to be long-lasting, that is to be sustainable from a financial, environmental and social perspective;

- The Project aims to ensure a willingness-to-pay by potential consumers of the identified communities, as well as, for each sub-project, to have a minimum 50% of total demand driven by public institutions and businesses;
- Proposed footprint size of each mini-grid is expected to be between 600 and 1200 sqm;
- Maintenance of the mini-grid will be managed and conducted by the service provider potentially requiring support from the community;
- In choosing a suitable site for the installation of the PV plant, there must be minimal to no vegetation as maximum amount of sunlight must be captured;
- The World Bank Safeguards policy is to be applied throughout the entire life of the Project: it includes abiding by the local regulatory and customary framework, to consider people, their rights, the environment, custom and culture of the area, women, youth, children, people with disability;
- As such, a Stakeholder Engagement Framework (SEF) is in place and will be updated as the Project progresses, with a dedicated Community Liaison Officer:
 - Community Liaison Office and DOE representative: Matthew Tasale (please see *Table 9* for CLO's telephone numbers and email address);
- The Stakeholder Engagement Framework (SEF) includes a Grievance Redress Mechanism (GRM) available to all stakeholders and that is coordinated by a GRM focal point within DOE:
 - Grievance Redress Mechanism focal point: Anthony Garae (please see *Table 9* for CLO's telephone numbers and email address).

3.5.4. Methodology

The consultations should include well planned and facilitated meetings, interviews and focus group discussions.

The stakeholder consultation meetings are to be structured as followed:

- Introduction and information disclosure: introduce the Project Owner/ Project proponent (DOE), the proposed stakeholder engagement process, the environmental and social impact assessment process including the potential environmental and social impacts and mitigations to help the stakeholders understand the Project and the Project Owner's intentions for engagement and potential mitigation measures; timelines for Project phases and key decisions, as well as deadlines for comments will be detailed; further detail will be provided on how people will be kept informed as the Project develops, including reporting on Project environmental and social performance and implementation of the stakeholder engagement plan and grievance mechanism (minimum annual reporting to stakeholders, and more frequently during particularly active periods, when the public may experience more impacts or when phases are changing (for example, quarterly reports during construction, then annual reports during implementation);
- Facilitated question and answer session to enable all stakeholders to participate in the consultation meetings to raise concerns, comments or ask questions to which the Project Owner can directly respond; how comments will be gathered (written and oral comments) and reviewed will be explained, and commitment made to reporting back to stakeholders on the final decision and a summary of how comments were taken into account; and
- Data collection: collection of more in-depth socio-economic information through household interviews with key stakeholder groups in the short-listed communities.

On the basis of the present understanding of the Project and the stakeholders and the purpose of engagement, the following methods of engagement are to be conducted for stakeholder engagement/consultation:

- Interviews: interviews with government officials and key informants like traditional leaders, guided by a set of open ended and close ended questions;
- Semi- Structured/ Structured Interviews and Checklists: use of semi-structured/structured interviews and checklists as a method for inquiry in which a pre-determined set of open or close questions or check points are used to gather further information pertaining to specific themes (surveys, polls, socio-

economic data, etc.) or issues surrounding to electricity needs, potential benefits, concerns; the interviews are to be also undertaken with institutional stakeholders and groups such as NGOs and Civil Society Groups;

- Focus Group Discussion: a Focus Group Discussion (FGD) refers to a focused discussion that is carried out amongst a group of people (4-10) from a similar background/profile on a specific topic while being guided by a moderator; the primary purpose of such discussions is to gather an insight into the thought process of the group with regard to a particular issue; FGDs are to be undertaken with schools/ medical centres' representatives, potential users of electricity (e.g. fishermen), women, vulnerable families in the community, migrant workers, etc. ;
- Participatory methods and other traditional mechanisms for consultation and decision making.

The following *Table 7* summarises the proposed disclosure activities during step 3 of the Project

Project Stage	List of Information to be Discussed / Disclosed	Methods Proposed	Timetable: locations/ dates	Target Stakeholders	Percentage Reached	Responsibilities
Pre-Construction Stage Step 3: selected sub-project sites	Discussion on Project details (technology, logistics requirements, traffic management, biodiversity aspects, water use, etc.), questions and answers session	<ul style="list-style-type: none"> - Meetings in at least two languages (Bislama and English) - Interviews - Focus-group discussions 	February 2020	Short-listed interested communities: all groups	50% of short-listed community inhabitants	Project Owner, including Consultant
	Socio-economic and environmental (for ecosystem services) data collection	<ul style="list-style-type: none"> - interviews in the preferred language of the interviewee 	February 2020	Short-listed interested communities: all groups	50% of short-listed community inhabitants	Project Owner, including Consultant and Contractors

Table 7. Proposed Consultation and Disclosure Activities: Communications Action Plan Project Pre-Construction Stage Step 3

3.6. Construction, Operation and Post-planning Stages: Proposed Consultation and Disclosure Activities

This Stakeholder Engagement Framework is a 'live' document that will be updated as the Project progresses, and in particular to cover key aspects that may affect the stakeholder during the construction, operation and post-planning stages of the Project.

The following table drafts the anticipated proposed public consultation and disclosure activities to be undertaken by the Project's Owner during the development of the Project and to support its successful implementation. It presents the proposed purpose of engagement (consultation or disclosure) per phase, and the underlying method, frequency and place of engagement per different types of stakeholders. It will be further updated as the Project progresses.

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement	Proposed Location of Engagement
Construction Phase				
Information disclosure	<ul style="list-style-type: none"> Each short-listed community hosting a mini-grid 	Disclosure of management plans put in place for the sub-project	At the time of formulation and finalisation of plans	To be decided
	<ul style="list-style-type: none"> Provincial Government Project Financing Agencies Ministry of Local Authority 	Reporting requirements in keeping with regulatory framework	At least annually or as and when required	Reporting documents
	<ul style="list-style-type: none"> Each short-listed community hosting a mini-grid Local Community Leaders 	Public meetings (throughout the construction phase)	At least quarterly or as and when required	To be decided
	<ul style="list-style-type: none"> EPC Contractors and Sub-contractors 	Disclosure of Labour Influx Management Plans	At the time of formulation and finalization of plans and followed by subsequent refreshers	On sub-project site
		Disclosure of Community Health and Safety Plan (including with regard to traffic)	At the time of formulation and finalization of plans and followed by subsequent refreshers	On sub-project site
		Disclosure of Community Emergency Response and Preparedness Plan	At the time of formulation and finalization of plans and followed by subsequent refreshers	On sub-project site
		Regular Meetings/ Tool Box talks	At least weekly	On sub-project site

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement		Proposed Location of Engagement
Monitoring of implementation of the environmental management plans and of the Project activities	• Each short-listed community hosting a mini-grid Local Community Leaders	Focus Group Discussions	At least monthly		To be decided
		Interviews with key informants	At least monthly		
		Questionnaires	At least monthly		
		As part of the GRM process	Regularly through the construction phase		To be decided (see GRM)
	• EPC Contractors and Sub-contractors	Regular Meetings	At least monthly		At sub-project site
Project Status Update	• Each short-listed community hosting a mini-grid • Local Community Leaders	Meetings with Officials	as and when required through the construction phase		To be decided
Regular ongoing engagement	• EPC Contractors and Sub-contractors	Open Public Meetings		At the beginning and the end of the construction period	To be decided
		Focus Group Discussions		At least quarterly	
		As part of the GRM Process		As and when required through the construction phase	To be decided (see GRM)
Operation Phase					
Information disclosure	• Each short-listed community hosting a mini-grid Local Community Leaders	Provisioning of reports and updates in local languages in keeping with reporting requirements of environmental management plans	In keeping with the reporting timelines identified as part of the environmental management plans		
	• Media • NGOs/CSOs	Broadcast of information in local newspapers, and through local announcements, for instance via SMS or Area Administrators	As and when required		
	• Provincial Government • World Bank • Relevant ministries	Reporting requirements in keeping with regulatory framework	At least annually or as and when required through the operation and closure phase		
	• EPC Contractors and Sub-contractors	Regular Meetings/ Tool Box talks	At least monthly		At sub-project site
Monitoring of the project activities	• Project Affected Families and People • Local Community in AoI Vulnerable Groups	Open public meetings	Annually through the operation and closure phase		
		Focus Group Discussions	At least quarterly through the operation and closure phase		

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement	Proposed Location of Engagement
	<ul style="list-style-type: none"> Vulnerable Groups Local Community Leaders NGOs/CSOs 	As part of the GRM process	As and when required through the operation and closure phase	In keeping with GRM provisions
	<ul style="list-style-type: none"> EPC Contractors and Sub Contractors 	As part of the GRM process	As and when required	In keeping with GRM provisions
Monitoring of implementation of the environmental management plans	<ul style="list-style-type: none"> Project Affected Families and People Local Community in Aol Vulnerable Groups Local Community Leaders 	Focus Group Discussions	At least six monthly through the operation and closure phase	.
		Interviews with key informants	At least six monthly through the operation and closure phase	
		Questionnaires	At least annually through the operation and closure phase	
		As part of the GRM process	Regularly through the operation and closure phase	
	<ul style="list-style-type: none"> environmental management plans Implementation Partners and NGOs 	Regular Meetings	At least quarterly through the operation and closure phase	At sub-project site

Table 8. Proposed Consultation and Disclosure Activities: Communications Action Plan Project Post-Planning Steps 2

4. Resources, Roles and Responsibilities

4.1. Resources

Resources will be devoted to managing and implementing the Stakeholder Engagement Framework, in particular, in terms of people, budget and channels maintained to communicate by all parties to the Project and in particular the Project Owner, Owner's Engineer (Consultant), contractors (EPC Contractor, O&M Contractor, sub-contractors).

4.2. Project Owner: DOE

The following diagram provides the Project Owner's organization chart relevant to the Project.

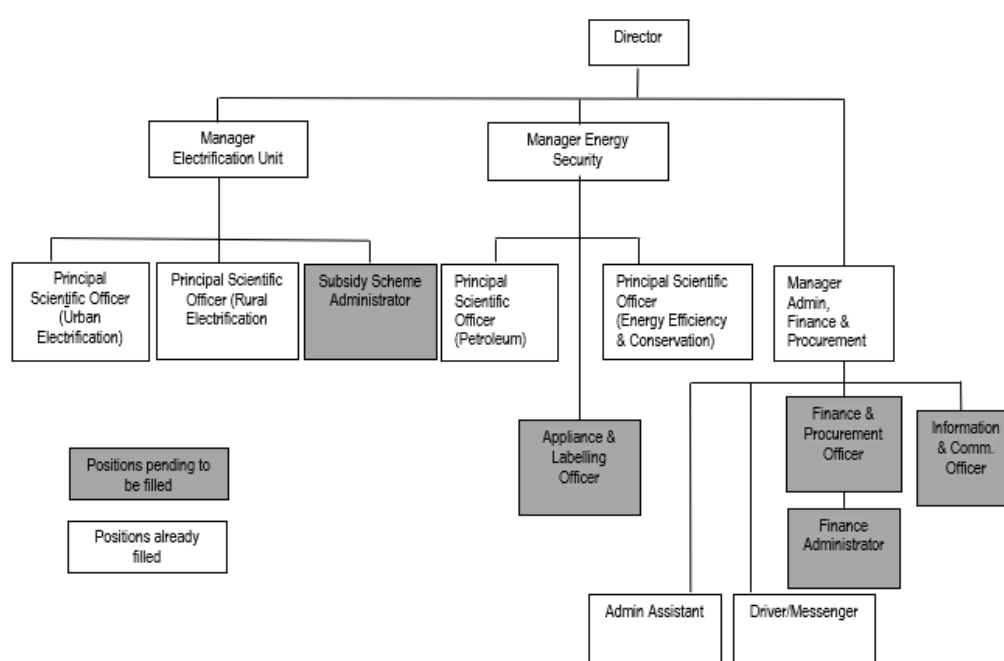


Figure 5. DoE's Organization Chart

	ROLE IN THE PROJECT TEAM	EMAIL
DOE		
Anthony Garae	Project Director	ganthony@vanuatu.gov.vu
Gavin Pereira	VREP II Project Manager	gpereira@vanuatu.gov.vu
Mathew Tasale	Manager of Electrification Unit	mtasale@vanuatu.gov.vu
Gary Erick	Principal Scientific Office (PSO) Rural Electrification	gerick@vanuatu.gov.vu
Joshep Temakon	Principal Scientific Office (PSO) Urban Electrification	jtemakon@vanuatu.gov.vu
Joshua Nari	Verification Agent	jnari@vanuatu.gov.vu
Elisabeth Sam Waiwai	Admin Assistant	ewaiwai@vanuatu.gov.vu

Table 9. DoE's Project Representatives

4.3. Owner's Engineer

The Owner's Engineer (the Consultant) is tasked with supporting the Project Owner in undertaking the implementation of VREP II from a technical, environmental and social perspective.

The following diagram provides the Owner's Engineer organization chart relevant to the Project.

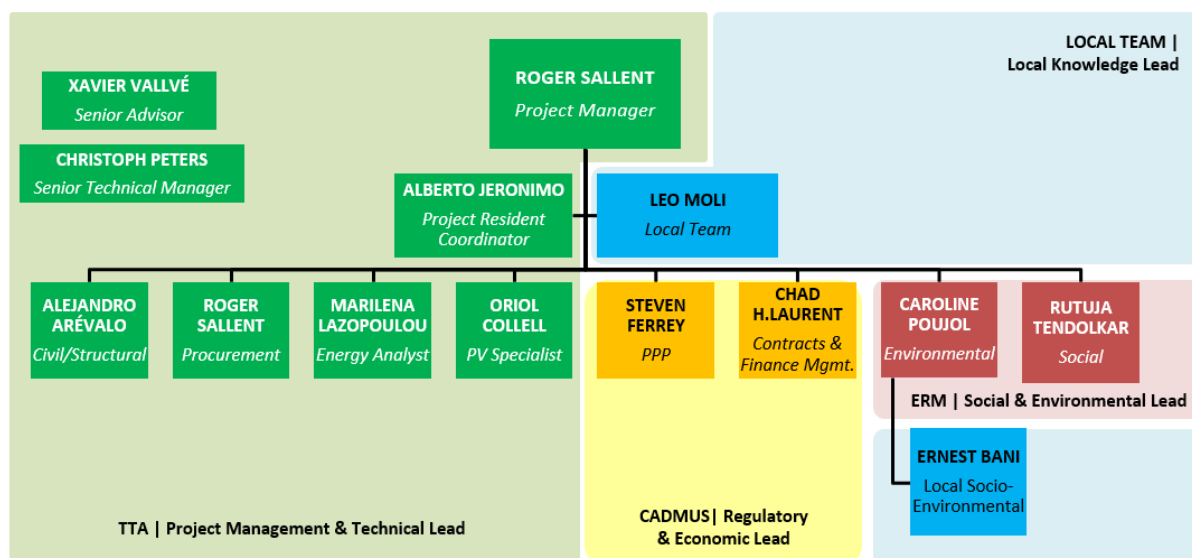


Figure 6. Owner's Engineer Organization Chart

	ROLE IN THE PROJECT TEAM	EMAIL
PROJECT TEAM		
TTA		
Roger Sallent	Project Manager	roger.sallent@tta.com.es
Alberto Jeronimo	Project Resident Coordinator	alberto.jeronimo@tta.com.es
Ana Sancho	Project Management support	ana.sancho@tta.com.es
Xavier Vallve	Senior Advisor	xavier.vallve@tta.com.es
Marilena Lazopoulou	Energy Analyst	maribel.escrig@tta.com.es
Alejandro Arévalo	Civil/Structural specialist	alejandrosarevalo@tta.com.es
Oriol Collell	PV Specialist	oriol.collell@tta.com.es
Christoph Peters	Senior Technical Manager	christoph.peters@tta.com.es
CADMUS		
Chad Laurent	Contracts & Finance Management	Chad.Laurent@cadmusgroup.com
Steven Ferrey	Public Private Partnership (PPP) specialist	sferrey@suffolk.edu
Emily Chessin	Support to CADMUS team	Emily.Chessin@cadmusgroup.com
Christina Becker-Birck	Support to CADMUS team	Christina.Becker-Birck@cadmusgroup.com
Arthur Abal	Support to CADMUS team	Arthur.Abal@cadmusgroup.com
ERM		
Caroline Poujol	Environmental Specialist	Caroline.Poujol@erm.com
Rutuja Tendolkar	Social Specialist	Rutuja.Tendolkar@erm.com
Samantha McCrea	Support to ERM team	Samantha.McCrea@erm.com
Aritra Chakrabarty	Support to ERM team	Aritra.Chakrabarty@erm.com
LOCAL		
Leo Moli	Local Expert	roxbert.moli@gmail.com
Ernest Bani	Local Socio-Environmental Expert	baniconsulting582@gmail.com

Table 10. Consultant's Project Representatives

4.4. Contractors

The main contractors are identified as the EPC Contractor to build each mini-grid sub-project and the O&M Contractor to operate and maintain each mini-grid sub-project once in activity. They may outsource some work to sub-contractors.

Invitation-to-bid documents should refer to the environmental and social Reference Framework of the Project annexed to this Stakeholder Engagement Framework. Invitation-to-bid documents should request bidders to present how they will integrate the environmental and social requirements of the Reference Framework in their bid documentation. These environmental and social requirements should include commitments by the contractor to implement this Stakeholder Engagement Framework, including its Grievance Redress Mechanism.

The Project Owner, supported by the Consultant, shall review the bids according to technical, financial, environmental and social criteria.

Once awarded, contracts should be signed incorporating the contractor's environmental and social commitments. These commitments should include requirements for the contractor's sub-contractors to abide by the same.

The Project Owner, supported by the Consultant, shall monitor the implementation of the agreed environmental and social commitments made by the winning contractor. In particular, the monitoring will include the review of the contractor's conduct and behaviour when present and working within communities, cultural sensitivity, access to services etc....

All contractors should be invited to bid I would also add that before the "Pre-construction Community Consultation" can take place, the contractor must be orientated by the Safeguards Team on the WB ES standards and also the local safeguard requirements.

5. Grievance Redress Mechanism (GRM)

5.1. Principles of GRM

A Grievance Redress Mechanism is to receive and facilitate resolution of affected stakeholders' concerns and grievances related to the Project's environmental and social performance. The GRM process should be disclosed publicly and available during the pre-construction, construction and operation phases of the Project, and to be used by all affected stakeholders, including employees and contractors.

Grievances should be received, recorded/ documented and addressed in a manner that is easily accessible, culturally appropriate and understandable to affected communities. Where feasible and suitable for the Project, the grievance mechanism may utilize existing formal and informal grievance mechanisms, that will support the Project-specific proposed arrangements. The Project dedicated personnel on handling grievances will be consistent, experienced and qualified to do so.

The communities will be informed about the GRM during the stakeholder consultation and disclosure activities. The mechanism will be communicated and made available to all affected communities and in particular to both genders and vulnerable groups.

The Project dedicated personnel will be experienced and/or trained to seek solutions to complaints in a collaborative manner with the involvement of the affected community, taking into consideration customary and traditional methods of dispute resolution, and not impeding access to existing judicial or administrative mechanism available in the country for resolution of disputes. The mechanism includes a redress aspect so that those who feel their complaint has not been addressed in a manner they find satisfactory can have recourse to an external body for reconsideration of their case.

Concerns will be addressed promptly, using a transparent process that is readily accessible to all segments of the affected communities and at no cost to them and with no retribution. Grievances received and responses provided will be reported back to the community periodically (at least every six months).

The Project will provide an option for anonymous grievances, including for worker grievances whereby the worker's identity can be protected from their supervisor or any repercussions.

5.2. GRM Process

The following figure summarises the GRM process. Timings per stage will be agreed with the DOE and included in the disclosure to communities.

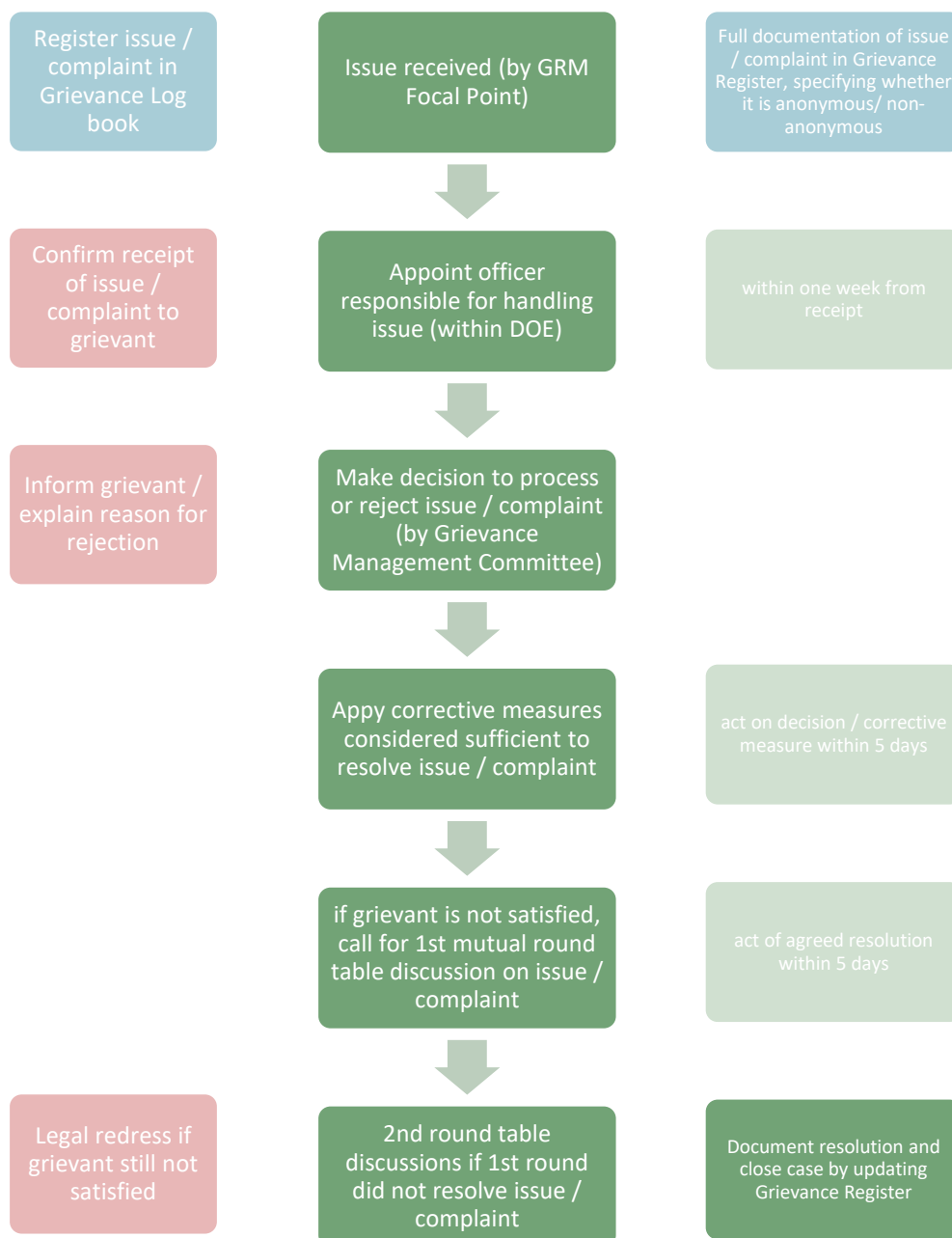


Figure 7.
Grievance
Redress
Mechanism
Tracking

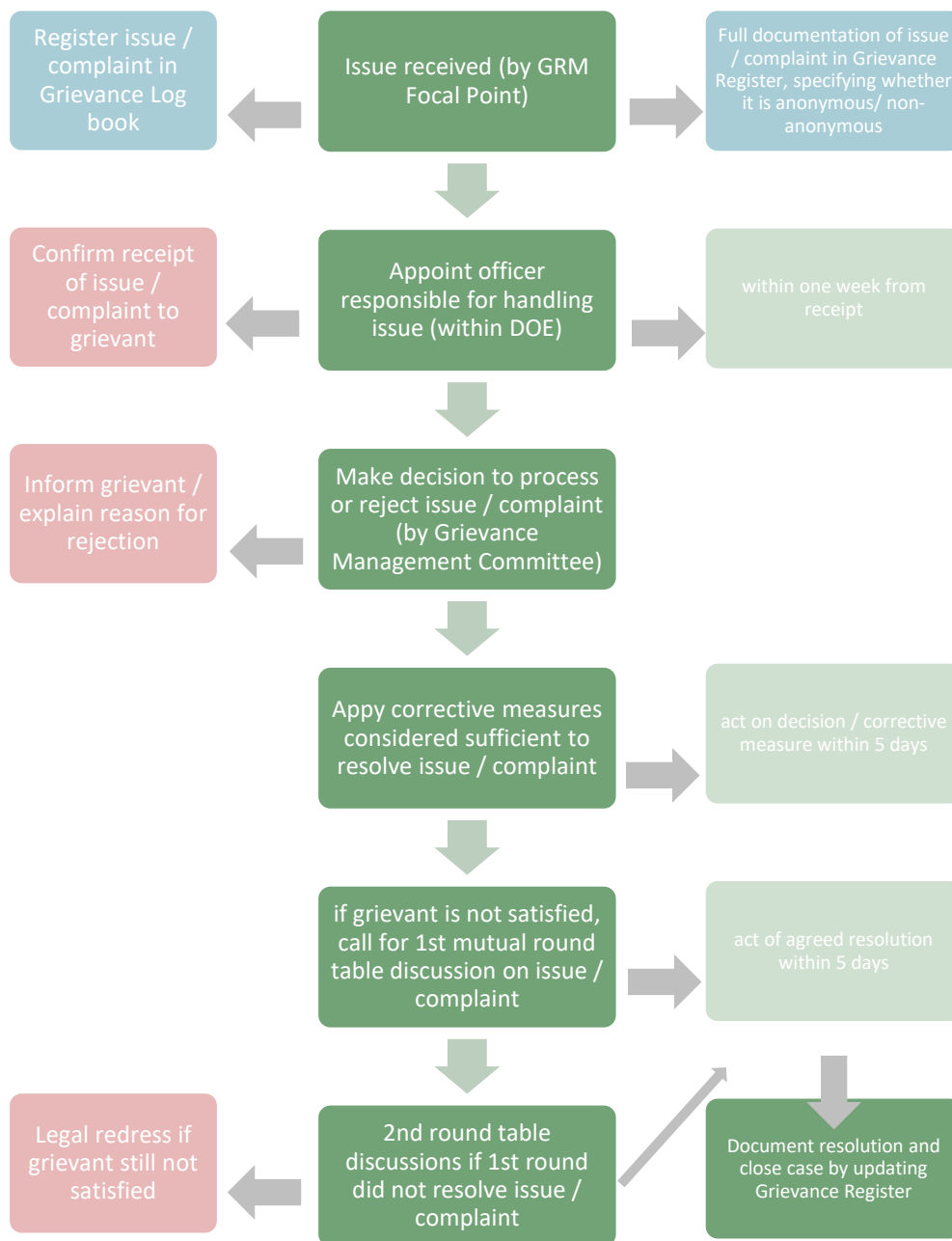


Figure 7. Grievance Redress Mechanism Tracking

5.3. GRM Focal Point(s)

DOE has selected a GRM Focal Point:

Grievance Redress Mechanism focal point: Anthony Garae, Tel: +678 25201/ 33425, ganthony@vanuatu.gov.vu.

The GRM Focal Point's contact details are available to all stakeholders.

Grievances can be made by anyone to the GRM Focal Point within DOE.

The GRM Focal Point will work with DOE officers to support the handling of complaints brought to the attention of the GRM Focal Point and will be the secretary of the Grievance Management Committee.

The Grievance Management Committee, consisting in the GRM Focal Point, the DOE offices supporting the handling of complaints, representatives from the Project development, is tasked with discussing and steering how to address issues / complaints. The Grievance Management Committee should gather when issue / complaint are received and in any case on a monthly basis.

5.4. Monitoring of GRM

The Project GRM focal point will also be responsible for documenting (recording), logging grievances received and addressed (both anonymous and non-anonymous, and reporting on a regular to the Project committee members.

A template for the monitoring of grievances can be found in the Annex of this SEF.

5.5. Disclosure of GRM

The GRM will be disclosed as early as possible (December 2019/ January 2020) and maintained throughout the Project lifecycle. It will be disclosed in a culturally appropriate manner in Bislama and English in an understandable format to all affected communities, stating the following information:

- Anyone can raise complaints, grievances, concerns, ask questions or make comments or suggestions related to the Project;
- Anyone can contact the GRM focal point using the GRM focal point's contact details provided above;
- the GRM focal point is responsible for receiving complaints, grievances, concerns, questions, comments, suggestions, and for responding to the person on a non-anonymous basis or generally via the Project's website on an anonymous basis;
- the GRM focal point will confirm receipt of the complaint, grievance, concern, question, comment, suggestion, either providing a preliminary answer or confirming the expected timing to provide an answer; and
- by using this grievance mechanism, the complaint, grievance, concern, question, comment, suggestion with respect to the mini grid Project development will be received by the Project proponent which will endeavour to answer the complaint, grievance, concern, question, comment, suggestion and engage with the complainee and the Project's other relevant parties to mitigate any complaint, grievance, concerns, or incorporate any comment, suggestion in the Project development to the extent possible.

The local government and all contractors will also be advised on the GRM so that they can communicate the step-by-step process to the Project affected people. A template of the GRM recording form can be found in the Annex of this SEF.

6. Monitoring and Reporting

6.1. Monitoring

Monitoring the stakeholder engagement activities is important to ensure that consultation and disclosure efforts are effective and in particular that stakeholders have been meaningfully consulted throughout the process. Monitoring also allows the Project to improve its strategies by using rigorous information acquired from the monitoring activities. The Project's environmental and social management system will be used as a platform to monitor the stakeholder engagement activities and in particular:

- The implementation of this SEF;
- Consultation and disclosure activities conducted with all stakeholders;
- The effectiveness of the engagement processes in managing impacts and expectations by tracking feedback received from engagement activities; and
- All grievances received and resolved, whether they are anonymous (no name will be recorded) and non-anonymous (names and contact details for replies will be recorded).

Performance will be reviewed annually by tracking:

- Materials disseminated: type, frequency and location;
- Place and time of formal engagement events and level of participation by specific stakeholder categories and groups;
- Number of comments by issue/ topic and type of stakeholders, and details of feedback provided;
- Numbers and type of grievance and the nature and timing of their resolution;
- Recording and tracking commitments made to stakeholders; and
- Community attitudes and perceptions towards the Project based on media reports and stakeholder feedback.

Stakeholder engagement activities throughout the Project will use a procedure that ensures that all grievances are received, tracked, that the data gathered is recorded and responded to in a timely manner. A stakeholder and grievance database will be established and will be continuously populated by the Community Liaison Officer assisted by the Consultant for stakeholder engagement activities and by the GRM focal point for grievances (for every stakeholder engagement activity and every grievance received).

6.2. Reporting

The Project Owner/ Project proponent, supported by the Consultant, will develop regular reports (typically quarterly during the construction and twice a year in operations) which are typically required by the lenders (World Bank) to present all activities, including stakeholder engagement activities, for the period and summarise the issues. The report and its annexes will also detail the measures taken to address the issues, timeline of responses, as well as corrective and mitigation measures to address grievances and analysis of trends.

Data reported on will include the following activities: information distribution of disclosure materials, public announcements and engagement of media, disclosure and consultation meetings, collection and incorporation of comments and feedback.

A. Annex - Reference Framework

A.1.Introduction

The Project is being developed within a reference framework which consists of:

- The local regulatory framework for environment, social and health and safety matters; and
- The World Bank Group's relevant safeguards standards, as a financier to the Project.

They are described in the following *Sections*.

A.2.Applicability to Stakeholder Engagement

Stakeholder engagement under the local regulatory framework falls under the requirements of the Environmental Impact Assessment (EIA) Regulations (2011).

Environmental Impact Assessment, EIA, is the process for identifying and managing the impacts of a project on the natural, social and custom environment. Each sub-project (each mini-grid development) of the Project will fall under the EIA process. EIA is a proactive planning and decision-making tool that has an important role to play in identifying impacts, assessing risks, and evaluating the costs and benefits of development projects before they are implemented. The number of steps in EIA varies based on the potential impacts of the project. This results in a process that tailors the level of assessment to the potential level of environmental, social and custom impact. While the number of steps in the process will vary, the process will start with the project proponent submitting an application for an Environmental Permit through a Preliminary Environmental Assessment (PEA) application and will end with the decision of the Director of the Department of Environmental Protection and Conservation (DEPC) to grant or refuse an Environmental Permit:

- The PEA application must be submitted to the Director of the Department of Environmental Protection and Conservation (DEPC) in a form approved for the purpose by the Director and that includes information, plans, specifications specific to the Project; it does not specifically provides for stakeholder engagement;
- Based on the PEA application, the Director of DEPC may opine that the Project must undertake an Environmental Impact Assessment (EIA): in that case, public consultations:
 - may be recommended at the preparation stage of the EIA terms of reference,
 - are required during the assessment process at times and places as determined by the director and convenient for those likely to wish to take part, with at least one meeting held in the close vicinity of the area of the proposed development,
 - must be documented in the EIA report,
 - may be recommended by the Director to review the EIA report at times and places as determined by the director and convenient for those likely to wish to take part, with at least one meeting held in the close vicinity of the area of the proposed development.

Stakeholder engagement under the World Bank Group's safeguards falls under the requirements for open and transparent stakeholder engagement and information disclosure throughout the Project lifetime.

Stakeholder engagement for the World Bank is a broad concept and is expected to be integrated with the Project cycle, at the Project concept (as it was for the ESMF and RPF published in 2016), during the feasibility studies and Project planning (which are the current stages of the Project), and during construction, operations, downsizing/ decommissioning/ divesting. Stakeholder engagement is also expected to follow some key principles:

- The stakeholders relevant to the Project (that may impact or be impacted by the Project) must be identified and mapped to understand their interactions;
- Information must be disclosed in an open, transparent and appropriate manner to the identified stakeholders;

- Stakeholders must be consulted in an iterative manner (i.e. a few times as the Project progresses, taking into account any changes), in an informed and inclusive manner (i.e. including vulnerable peoples, all gender, any Indigenous Peoples);
- The process must enable fair, open and transparent negotiation and partnerships;
- The process must provide for the management of potential grievances and communicate on it;
- Stakeholders must be invited to support the monitoring of the Project, and enabled to do so;
- Project progress and environmental and social performance must be reported to stakeholders on a pre-agreed regular basis;
- The Project must provide for sufficient roles, responsibilities and budget to manage its stakeholder engagement process and grievance redress mechanism.

A.3.Regulatory Framework

A.3.1. Policies

The Government of Vanuatu has made the development of electricity sector a top priority, recognizing access to electricity is a key driver to social and economic development. The Vanuatu National Energy Roadmap (NERM) 2013-2020 lays the foundation for future energy sector policy and investment in Vanuatu. NERM has identified five priority areas and targets for Vanuatu's energy sector:

- Access: access to secure, reliable and affordable electricity for all citizens (100%) by 2030;
- Petroleum supply: reliable, secure and affordable petroleum supply throughout Vanuatu;
- Affordability: lower cost energy services in Vanuatu;
- Energy security: an energy secure Vanuatu at all times; and
- Climate change: mitigating climate change through renewable energy and energy efficiency.

The Government of Vanuatu, through NERM, has set targets to achieve 65 percent electricity generation from renewable energy by 2020 and 100 percent by 2030, as part of its Intended Nationally Determined Contributions (INDCs) to address climate change imperatives. Further, it intends to achieve these targets in a sustainable manner with solutions (on the 'Sustainable Energy for all (SE4ALL) spectrum') that take into account:

- Economic and financial viability, and least cost approaches;
- Countries' resources, technical expertise and implementation capacity;
- Geographic spread: economies (or lack of) scale and supply chain;
- Affordability considerations; and
- Sustainability: built around creating sustainable private sector industry both for grid and off-grid supply.

The following *Table 11* provides a summary of the country environmental policies relevant to the Project.

Policies	Date	Relevance to the Project
Vanuatu National Energy Road Map (NERM) 2016-2030	2013	The NERM is the policy framework for developing the energy sector in Vanuatu. The Project will contribute to some of the objectives of NERM.
Vanuatu 2030 The People's Plan: National Sustainable Development Plan (NSDP) 2016 to 2030	2016	The Project involves electricity infrastructure development expected to create jobs but which might also impact the natural environment. NSDP provides sustainable objectives over three pillars: society, environment and economy.
Vanuatu National Environment Policy and Implementation Plan (NEPIP) 2016-2030	2017	NEPIP provides the framework for the Project development in addressing the goals and objectives of NSDP.

Vanuatu National Waste Management, Pollution Control Strategy and Implementation Plan (NWMPCSIP) 2016-2020	2016	The Project will generate waste throughout its lifetime (e.g. construction and domestic waste during construction, electronic waste during operation and end-of-life). NWMPCSIP gives framework in managing waste reduction and handling.
Vanuatu National Invasive Species Strategy & Action Plan (NISSAP) 2014-2020		The Project will involve site selection and may create changes to habitats that may affect species living around. The NISSAP provides a framework for biodiversity management and biodiversity security.
Vanuatu National Biodiversity Strategy and Action Plan (NSAP) 2018-2030		
Vanuatu Forest Policy 2013-2023		The Project will involve site selection and might create changes to the forestry. The Vanuatu Forest Policy 2013-2023 provides a framework for managing the Project planning in terms of forestry conservation.

Table 11. Summary of Vanuatu Environmental Policies Relevant to the Project

A.3.2. Laws and Regulations

The Government of Vanuatu has enacted laws and regulations to drive development activities in line with the environmental goals and objectives articulated in policies. The following Table 12 summarises the environmental acts and regulations deemed relevant to the Project.

Acts/Regulations	Date	Relevance to the Project
Environmental Protection and Conservation Act [CAP 283] (EPCA)	2011 (Consolidated)	The Project will involve site selection and may create changes to the environment and to the living species around. The EPCA and EMCA provide a regulatory framework for the relevant environmental impact assessment (EIA) process and identification of community conservation areas.
Environmental Management and Conservation Act (EMCA) Act No. 12	2002	
EMCA (Amendment) in the Statute Law (Miscellaneous Provisions) Act No. 2	2010	
EMCA (Amendment) No. 28	2010	
Environmental Impact Assessment Regulations Order (EIAO) (Order No. 175)	2011	The EIAO provides a regulatory framework for integrating environmental (and social) considerations in the decision-making process of projects. The Project will develop energy generation facilities, though solar mini-grids do not qualify as power stations under the EIAO). The mini-grid sub-projects will be subject to the Preliminary Environmental Assessment (PEA) under the EIAO, which is the screening stage for assessing the need for an EIA or not.
EIAO (Amendment) (Order No. 102)	2012	
National Park Act [Cap. 224]	2006 (Consolidated)	The Project will involve site selection. The National Park Act provides protection and preservation of national parks. The Project will need to consider NPA at the planning stage.
Waste Management Act (WMA) No. 24	2014	The Project will generate waste throughout its lifetime. WMA provides the regulatory framework for waste management in Vanuatu.
Waste Management Regulations (WMR) Order No. 15	2018	The WMR Order No. 15 specifically governs the handling of waste disposal which the Project will need to abide by.
Private Waste Operator's License Fees Order (PWOLFO) No.16	2018	The PWOLFO No. 16 defines the types of waste operation that requires a license. The Project will need to plan for the requirements that it deals with licensed waste operators only.
WMR (Penalty Notice) Order No. 17	2018	The WMR Order No. 17 provides a regulatory framework for penalty where the requirements of WMR Order No. 15 and

		Private Waste Operator's License Fees Order No.16 are not met.
The Pollution (Control) Act No. 10	2013	The Project will likely generate noise and air pollution during the construction stage (and to a lesser extent during operations). The PCA provides a regulatory framework for pollution emission standards and permit systems.
Fisheries Act No. 10	2014	The Project will require the use of marine vessels for transportation of materials and manpower during the construction phase (and to a lesser extent during operations). The Project activities will need to consider the Vanuatu Whale Sanctuary and marine reserves protected under the Fisheries Act No.10.
Forestry Act [Cap. 276]	2013	The Project will involve site selection and may create changes to environment. The Project will need to consider the conservation areas protected under Cap. 276 during the planning stage and the protection of these areas during construction and operations.
Pesticides (Control) Act [Cap 226]	2006 (Consolidated)	The Project may apply pesticides within site areas during construction and/or operation stages for pest control. Cap. 226 manages the types, application and storage of pesticides which the Project will need to abide by.
Water Resources Management Act [Cap 281]	2006 (Consolidated)	The Project will involve site selection process and use of water during construction and operation stage. Cap. 281 governs the requirements for work water permits, in particular for sites located near a water source.
Shipping Act [Cap 53]	1988	The Project will involve the use of marine vessels for transportation of materials and manpower during the construction stage (and to a lesser extent during operations). Cap 53 governs the requirements for vessels and crew management.
Maritime Act [Cap 131]	1988	The Project will involve the use of marine vessels for transportation of materials and manpower during the construction stage (and to a lesser extent during operations). Cap 131 governs the requirements for vessels management.
Public Roads Act No. 35	2013	The Project may involve road works in particular for site access or grid connection. The Public Roads Act No. 35 provides the regulatory framework for managing road works.
Physical Planning Act [Cap. 193]	1993	The Project will require land for the Project sites. Cap. 193 provides the regulatory framework for land development and associated planning process.
Foreshore Development [Cap 90]	2006 (Consolidated)	The Project will involve site selection. Cap. 90 governs developments that may impact the foreshore of any island in Vanuatu.

Table 12. Summary of Vanuatu Environmental Legislation Relevant to the Project

A.3.3. International Treaties

The Government of Vanuatu has signed a number of international environmental conventions and agreements. The following *Table 13* illustrates those considered relevant to the Project:

Environmental Conventions/ Agreements	Date	Relevance to the Project
Convention on Biological Diversity	1993	The Project will involve site selection at the planning stage. The convention provides a framework for considering

		biodiversity aspects during the development, including planning, of the Project which it will need to consider then.
Agreement on the International Dolphin Conservation Program 1998 (AIDCP)	2008	The Project will involve the use of marine vessels for transportation of materials/ manpower during construction stage (and to a lesser extent during operations) which may enter dolphin habitats. AIDCP provides a framework for the conservation of dolphin and their habitats which the Project will need to consider when planning traffic routes.
Memorandum of Understanding on the Conservation and Management of Dugongs and their Habitats throughout their Range	2010	The Project will involve the use of marine vessels entering marine habitats for transportation of materials and manpower during construction stage (and to a lesser extent during operations) which may enter dugong, cetacean and migratory shark habitats.
Memorandum of Understanding for the Conservation of Cetaceans and their Habitats in the Pacific Islands Region	2006	The memoranda provide frameworks for the conservation of Dugongs, Cetaceans and Migratory Sharks and of their habitats which the Project will need to consider when planning traffic routes.
Memorandum of Understanding on the Conservation of Migratory Sharks	2013	
International Convention for the Prevention of Pollution from Ships (MARPOL)	1989	The Project will involve the use of marine vessels for transportation of material and manpower during construction stage (and to a lesser extent during operations). The convention provides a framework for pollution prevention of ships which the Project will need to consider.
United Nations Framework Convention on Climate Change	1993	The Project is a renewable energy project which will provide electricity access development not based on fossil-fuel use, thus contributing to climate change mitigation.
Kyoto Protocol to the United Nations Framework Convention on Climate Change	2001	
Convention Concerning the Protection of the World Cultural and Natural Heritage	2002	The Project will involve site selection at the planning stage. The convention provides a framework for the preservation of cultural and natural heritage which the Project will need to consider during the planning stage.
Convention for the Safeguarding of the Intangible Cultural Heritage	2009	

Table 13. Summary of International Conventions and Agreement signed by Vanuatu Relevant to the Project

A.4. World Bank Group Requirements

A.4.1. Project-Specific World Bank Requirements

Under the Project Appraisal Document (paragraph 56), the community engagement process will consist of public meetings and face-to-face discussions with communities to discuss energy needs and issues in the community, enable DOE, supported by the Consultant, to illustrate the technology, discuss the technology benefits and the implications of the community becoming customers, and to discuss and identify suitable land to house the necessary infrastructure. The engagement process will provide for ensuring that women are engaged and that all community members are informed and have a chance to participate. The objectives of the engagement process are to:

- Understand the energy issues and needs of the community;
- Inform communities they are eligible to receive a mini-grid; and
- Ensure that all communities who decide to receive a mini-grid are well advised of the benefits, costs, obligations and financial requirements of participating.

The World Bank Operational Policies 4.01 Environmental Assessment and 4.12 Involuntary Resettlement are triggered by the Project⁹. The following World Bank Group Environmental and Social Safeguard Policies provide the safeguard requirements to guide the implementation of relevant assessment and mitigation measures.

A.4.2. World Bank Environmental and Social Safeguard Policies

The World Bank has developed a series of operational policies (OP), or safeguards, to help identify, avoid and minimize harms to people and the environment. These safeguards require borrowers to address certain environmental and social risks in order to receive World Bank financing for development projects. Eight OPs apply to environmental and social risks and of these, two are triggered by VEP as described in the following table:

#	Applicability	Description
OP 4.01	Environmental Assessment	
	Applicable - The World Bank requires environmental assessment (EA) of projects proposed for financing to help ensure that they are environmentally sound and sustainable, and to improve decision making. While the sub-projects are generally expected to have only limited environmental and social impacts, this policy is triggered to ensure an appropriate level of assessment is undertaken: for each mini-grid sub-project, an Environmental and Social Impact Assessment (ESIA) will be prepared with the level of assessment commensurate with the complexity and potential impacts.	The project will involve siting of modular solar/battery/biodiesel hybrid systems, installation of solar panels, and construction of distribution systems on land donated by the communities. The installations will be carried out in rural communities. Solar panels will be installed either on rooftops of existing or new buildings or as ground mounted structures. There will be relatively minor local environmental impacts during construction and the project will need to include considerations on the future disposal of batteries where used.
OP 4.12	Involuntary Resettlement	
	Applicable during planning, construction and operations – Since the Project will rely on land donation by the communities, it is anticipated that any impacts on land will be minimal: the Project will not by design require involuntary land acquisition; all land related issues will be addressed via negotiated arrangement (willing buyer-willing seller or voluntary land donation, etc.) and the distribution network will traverse either public land or along corridors agreed between DOE, the community and land owners; there may however be a need to remove trees and other income producing vegetation/ installation for technical reasons, which will be avoided to the maximum extent possible.	<p>World Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risk:</p> <ul style="list-style-type: none"> - production systems are dismantled; - people face impoverishment when their productive assets or income sources are lost; - people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; - community institutions and social networks are weakened; - kin groups are dispersed; and - cultural identity, traditional authority, and the potential for mutual help are diminished or lost. <p>This policy includes safeguards to address and mitigate these impoverishment risks. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out.</p> <p>For these reasons, the overall objectives of OP 4.12 are the following:</p>

⁹ <https://www.worldbank.org/en/projects-operations/environmental-and-social-policies> (accessed 22 October 2019)

		<ul style="list-style-type: none"> - involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs; - where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs; and - displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.
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Table 14. World Bank Environmental and Social Safeguard Policies

A.4.3. World Bank Group General EHS Guidelines

Borrowers and projects are also required to apply the relevant requirements of the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines). These are technical reference documents, with general and industry specific examples of Good International Industry Practice (GIIP).

The EHS Guidelines contain the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable cost¹⁰. The World Bank Group requires borrowers/ clients to apply the relevant levels or measures of the EHS Guidelines. When host country regulations differ from the levels and measures presented in the EHS Guidelines, projects will be required to achieve whichever is more stringent.

The General EHS Guidelines contain information on cross-cutting environmental, health and safety issues potentially applicable to all industry sectors on the following aspects:

- Environmental;
- Occupational Health and Safety;
- Community Health and Safety; and
- Construction and Decommissioning.

This document should be used together with the relevant Industry Sector Guideline(s). There is no solar industry sector guideline as at the time of writing but, for this sector, reference is typically made to the 2012 IFC guidebook for developers and investors of utility scale solar power plants in India¹¹.

There is no mini-grid solar industry sector guideline as at the time of writing but the World Bank published the 'Mini Grids for Half a Billion People: Market Outlook and Handbook for Decision Makers' in June 2019¹², listing the following drivers for mini-grid successful development:

- Access to finance;

¹⁰ https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines (accessed 22 October 2019)

¹¹ https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_handbook_solarpowerplants (accessed 22 October 2019)

¹² <https://openknowledge.worldbank.org/handle/10986/31926> (accessed 22 October 2019)

- Innovative technology;
- Income-generating use of electricity;
- Workable regulations;
- Training and skill development;
- Community engagement;
- Geospatial and portfolio planning;
- Private sector participation; and
- Enabling business environment.

B. Annex - Risk Management

The following risks have been pre-identified during the initial discussions with stakeholders organized as part the Inception Mission and through desktop review of existing relevant literature.

Risk	Probability / Impact ¹³	Mitigation measures
Social		
Unmet expectations of job opportunities	3/2	<p>The Contractor to engage with the community to identify local skills, to prepare a training plan of job positions that can be filled locally, to implement clear communication protocols (including support media material) with the communities to inform them about job opportunities and available training (and related criteria).</p> <p>The Contractor to implement a community communication plan and a community grievance mechanism that support communication, transparency and community involvement.</p>
Theft of equipment once it is installed	3/3	<p>The Contractor to engage with the community in the construction and operation of the mini-grid so that they develop a feeling of ownership and the safety of the facilities and of the community can be guaranteed.</p>
Lack of acceptance of proposed tariffs	2/3	<p>The Consultant to guarantee the WTP (willingness to pay) and ATP (ability to pay) is well analyzed and understood during the site assessment.</p>
Right of Way disputes	2/2	<p>The Consultant to engage with the community to identify right of way and the general use of the selected site to manage the land acquisition process, any restrictions on land use or involuntary economic/ physical resettlement, any potential impacts on cultural or natural heritage.</p> <p>The Consultant to formalize right of way agreements with landowners before project construction begins to avoid project delays</p> <p>The Contractor to engage with the community in doing ground works, fencing and trimming/cutting trees if needed to avoid expecting compensation for right of way for distribution line.</p> <p>The Contractor to implement a community communication plan and a community grievance mechanism that support communication, transparency and community involvement.</p>
Unmet expectations of contacted communities	2/3	<p>The DoE to liaise with the Department of Local Authorities (DoLA) on contacting the shortlisted communities in a culturally appropriate manner as they have previously managed the community expectations on similar situations. DoLA have a complete and profound understanding of the local socio-cultural context.</p> <p>The Contractor to implement a community communication plan and a community grievance mechanism that support communication, transparency and community involvement.</p>
Communities expecting potential compensation for the required project land	3/3	<p>Selected and invited communities to self-postulate offering suitable plots of lands, with risk transferred to the communities, based on clear communication protocols (including support media material) with the communities to inform them about the proposed invitation, criteria and process.</p> <p>The Contractor to implement a community communication plan and a community grievance mechanism that support communication, transparency and community involvement.</p>

¹³ 1:Low, 2:Medium, 3: High

Unmet expectations of non-invited communities	1/2	Clear communication protocols (including support media material) with the invited communities to inform them about the proposed invitation, criteria and process, that can be shown to non-invited communities to explain why they have been identified in the long list, but not invited for selection.
Political		
Political influence interfering with the project objectives and scope	2/2	Using available external data like number of HH for the selection of the communities minimizes the potential impact of political interests over the community selection process. The Consultant to obtain formal approval of list of communities and selection process from The Project Steering Committee and the Council of Ministers
Environmental, Health and Safety		
Impacts on marine / terrestrial biodiversity (biodiversity conservation)	1/2	The Contractor will implement an Environmental Management Plan that includes identification of protected areas / trees and mitigation measures to prevent adverse impacts on the biodiversity, critical habitats, etc.
Resource efficiency and sustainable management of living natural resources	1/2	The Contractor will design the mini-grid system so that the use of natural / primary resources is limited during construction and operation (e.g. water use, consumption of workers influx).
Waste contamination at project site and in country (pollution prevention)	1/2	The contractor shall implement a waste management plan both during construction and operation (including for end-of-life equipment).
Health and safety of workers and communities	1/2	The Contractor will implement a Contractor Management Plan, an Occupational Health and Safety Management Plan, a Community Health and Safety Management Plan (that will include aspects that may be deemed relevant during the environmental and social impact assessment such as traffic management plan, erosion management plan, water contamination management plan, workers influx management plan, etc.) that will provide measures to protect the health and safety of workers and the communities during construction and operation.
Technical/Implementation		
Impact of natural disasters in system integrity and implementation plan	2/3	The Consultant to guarantee the integrity of the system under extreme weather conditions by setting the required relevant design specifications in the tender documents and by supervising closely the quality of construction works. Additionally, The Project implementation plan should be scheduled to avoid the cyclone season during the construction phase.
Unavailability of materials and machinery locally leading to delays in project plan	2/2	The consultant to evaluate and define a realistic and doable implementation plan that maximizes the use of local materials, machinery and capabilities, following local availability of materials and machinery and capacity of available work force.
Theft of equipment during local sea transportation	2/3	The Contractor to be represented by its staff to accompany the cargo in the vessel to guarantee safety of equipment
Economic		
Disparity of tariff with respect to other mini grids operating in the area	1/2	The Consultant to assess the tariffs applied in similar projects in the area by consultation with DoE, URA and other relevant stakeholders.

Biofuel price fluctuation and shortness of supply	3/1	The Consultant to recommend using generators that can work with both biofuel and diesel to reduce the potential supply burden on locally available biofuel
Low energy demand leading to low assets' utilization and revenue generation	2/3	The Project Team to engage with government departments and NGOs present in the targeted communities to identify and support projects that are income-generating
Unviable Operation and Maintenance cost due to geographical dispersion of the communities	2/3	The Project Team to cluster the selected communities to minimize both OpExp and CapEx.
Lack of interest from local private sector to operate the mini grids	2/3	The Consultant to develop a business model that guarantees The Project attractiveness. Selected communities to be located near to concession areas to increase interest from existing utilities.

Table 15. List of Project's Preliminary Risks

C. Annex - Eol Form

EXPRESSION OF INTEREST (EOI) FORM

SELF-CANDIDACY TO PARTICIPATE IN VREP II PROJECT

Name of the Community:			
Date of submission:			
Filled by (names of the signatories):	Name	Role in the Community	Gender
Telephone:			
E-mail:			

PART 1: Expression of Interest

Expression of Interest		
1	INTEREST	
1.1	Is the community interested in being part of the Project as potential recipient of one of the mini-grid systems to be implemented under the Project?	YES / NO
1.2	If the response is no, can you add some brief discussions on the reason in Point 6?	See Point 6
2	SITE SELECTION FOR PV ARRAY	
2.1	Having reviewed the technical, environmental and social criteria required for a site to be suitable to host a mini-grid, can you please confirm how many potential sites the community has selected and is proposing?	Please enter a number: []
2.2	Can you please provide the GPS coordinates and/or a marked map with a scale >1:100,000 showing the community's proposed sites? <ul style="list-style-type: none"> Site 1 coordinates: _____ Site 2 coordinates: _____ Site 3 coordinates: _____ • 	Please include marked maps as attachment
3	LAND TENURE	

3.1	<p>Please specify the ownership of the proposed Project sites¹⁴:</p> <ul style="list-style-type: none"> • Site 1: Government / Church / Customary / Private • Site 2: Government / Church / Customary / Private • Site 3: Government / Church / Customary / Private • 	Please circle and/or strike
3.2	<p>If the answer to the question above was PRIVATE for any of the proposed sites, please indicate the legal owner(s) and their contact details of the proposed project sites:</p> <ul style="list-style-type: none"> • Site 1: _____ • Site 2: _____ • Site 3: _____ <p>We will contact the PRIVATE owners so we assume they have been made aware by the community.</p>	Please indicate
3.3	<p>If the answer to the above question is Customary for any of the proposed sites, indicate how the consultation with the community will be carried out, and what form of agreement will be considered (lease, buyout)</p> <ul style="list-style-type: none"> • Site 1: _____ • Site 2: _____ • Site 3: _____ • 	Please indicate
4	ENVIRONMENT	
4.1	<p>Are the sub-project proposed sites located in or near any protected areas / flora? If yes, which proposed sites and which protected areas / flora?</p>	YES / NO / UNKNOWN
4.2	<p>Are the sub-project proposed sites located in proximity to culturally sensitive sites? If yes, which proposed sites and which culturally sensitive sites?</p>	YES / NO / UNKNOWN
4.3	<p>What is the proposed site(s) used for at the moment? (e.g. farmland with XXX crops, cattle land, mangroves, coastal vegetation, sports ground, etc.)</p> <ul style="list-style-type: none"> • Site 1: _____ • Site 2: _____ • Site 3: _____ • 	Please indicate
4.4	<p>Has the community considered natural hazards in the proposal of sites, such as cyclone risks and associated plans for protecting the structures?</p>	YES / NO / UNKNOWN
5	WILLINGNESS TO PAY	

¹⁴ Please note in particular that priority must be given to available government land (e.g. within the premises of any infrastructure such as school or medical centres), then church land, then customary or private land if requirements under Annex A are met

5.1	How did you discuss with the community that the supply of electricity will not be granted for free but at a subsidized tariff yet to be determined and that aims to be affordable to their users while covering operational and maintenance expenses. ? _____ _____ _____	Please explain
5.2	Can you please confirm that, in your views, the community understands this planned arrangement?	YES / NO / UNKNOWN
6.	<p>Comments if Response to Question 1 is No:</p> <p>Which of the following best describes your response?</p> <ul style="list-style-type: none"> - Limited information on the project and its implications; - Lack of any suitable land or sites to host the project; - Unsure about the financial implications; - Lack of community agreement; - Other. 	<p>Please circle and/or strike, please feel free to add anything else you deemed of interest for the Project</p>

PART 2: Additional Information

Additional Information		
1	COMMUNITY FACILITIES	
	Please indicate which facilities the community currently have within its boundaries:	Please circle and/or strike, please feel free to add anything else you deemed of interest for the Project
1.1	Education Facilities:	
	<ul style="list-style-type: none"> - Primary School - Secondary School - Rural Training Centre (RTC) - University of the South Pacific (USP) - Other • 	
1.2	Health Facilities:	
	<ul style="list-style-type: none"> - Hospital - Health Centre - Dispensary - Aidpost - Other • 	

1.3	Tourism Facilities:	
	<ul style="list-style-type: none"> - Tourism Centre/Bungalow - Hotel / hostel - Other • 	
1.4	Commercial:	
	<ul style="list-style-type: none"> - Commercial / Provincial Centre - Other • 	
1.5	Bank Offices:	
	<ul style="list-style-type: none"> - Access to Rural Banking NZ go Money - Access to Western Union - Access to NBV - Other • 	
1.6	Religious Facilities:	
	<ul style="list-style-type: none"> - Church - How many? • 	
1.7	Utilities:	
	<ul style="list-style-type: none"> - Telecommunications tower - How many? • 	
	Does the community have access to mobile network?	YES / NO
	<ul style="list-style-type: none"> - Electrical Water pump - How many, what size (in kVA) and Where? • 	
	<p>Is there any fuel powered electrical generator being used in the village?</p> <ul style="list-style-type: none"> - If yes, where are they used? Please indicate size (kVA), type of fuel used and approximate monthly consumption of fuel for each unit (l/month)?¹⁵ <p>1- Location:</p> <ul style="list-style-type: none"> • kVA/ / l/month <p>2- Location:</p> <ul style="list-style-type: none"> • kVA/ / l/month <p>3- Location:</p> <ul style="list-style-type: none"> • kVA/ / l/month <p>4- Location:</p> <ul style="list-style-type: none"> • kVA/ / l/month <p>• If necessary, please use Part 3 to provide additional information.</p>	<p>YES / NO</p> <p>If yes, please describe</p>

¹⁵ Please use P for petrol, D for diesel and B for biofuel (copra oil). A 10 kVA petrol generators consuming 65 litres per month would be indicated as follows: 10kVA/P/65l/month

	• •	
	-	
2	COMMUNITY ECONOMIC ACTIVITIES	
2.1	Is the community participating in Regional Seasonal Employment (RSE) or Seasonal Workers Program (SWP)?	YES / NO / LIMITED
2.2	Is the community actively involved in selected vegetable crop production?	YES / NO / LIMITED
2.3	Is the community actively involved in cash crop production?	YES / NO / LIMITED
2.4	Is the community actively involved in spice production?	YES / NO / LIMITED
2.5	Is the community actively involved in timber trees production?	YES / NO / LIMITED
2.6	Is the community actively involved in fishing?	YES / NO / LIMITED
2.7	Is the community actively involved in livestock farming?	YES / NO / LIMITED
2.8	Other economic activities. Please indicate: _____ _____	

PART 3: Observations, comments, questions

Provide any observations, comments or questions you would like to add with this application.

Signatories

Paramount Chief of the village	
Assistant Chief	

Chairman of the Village Council	
Church Leader or Pastor	
Women's Representative	

ANNEX A to EoI Form: Basic requirements for the sub-project proposed site(s)

Overview of a VREP II mini-grid system:

Mini-grids are small-scale electricity infrastructure systems requiring limited land area. Land is required for several components as follows:

- **Photovoltaic (PV) array** –under the Project, the PV arrays are likely to be ground-mounted; however there may be an option to install panels on roofs of community buildings if mechanical cyclone resistance can be achieved. The PV array will comprise the largest piece of infrastructure by area; but it is expected that such area will range between 600 and 1200 m² (equivalent to a tenth to up to one football pitch);
- **Battery storage and bio/diesel generator (genset)** – these facilities will likely be housed together within a small building adjacent to the PV array. The below picture shows an example of a PV array and battery/genset building similar in scale to that being considered under VREP II. Inverters and transformers are small pieces of equipment needed in a mini-grid system that can also be housed within the battery/genset building;
- **Distribution system** – this will comprise power poles or easement for underground cables, wires and household electricity meters. The footprint of pole foundations is approximately one square metre (m²) and electricity meters are the size of a shoe box.

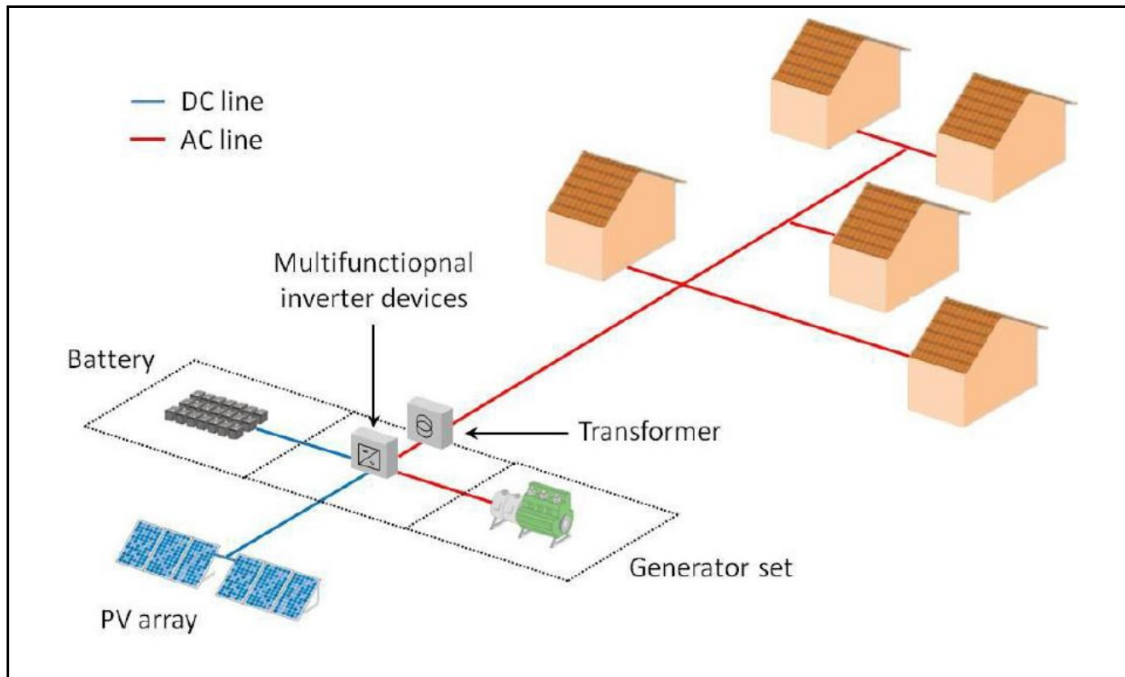


Figure 8. Mini-grid schematic.

Criteria to select a good project site for the PV Array:

1. Government-owned land preferably (if not, church land, if not, customary/ private land)
2. Minimum area of 600 m²
3. Flat topography
4. Close to the village and easily accessible
5. Minimum shade during most of the day
6. Clear from vegetation or with light vegetation
7. No trees of conservation significance within the proposed area
8. Not too close to sacred sites
9. Not too close to burial sites or cemetery
10. Not too close to water sources
11. Not at risk of flooding
12. Not next to any existing electricity or production related infrastructure
13. Not directly impacted an Eco sensitive habitat (e.g. a mangrove)

D. Annex - Grievance Form

Grievance Form				
Date				
Reference Number				
Full Name (optional and can be left blank for anonymous grievances)				
ID Number (optional and can be left blank for anonymous grievances)				
Contact Information (optional and can be left blank for anonymous grievances)	Address			
	Zip Code			
	Phone			
	Email			
Content of Grievance or complaint	Classification			
	Significance			
	Description			
	Location			
Consent to disclose the grievance information to third parties				
Signature of complainant (if not anonymous and if de visu)				
Received by	Name			
	Signature			
Status of grievance (date of each status and name and signature of person in charge of handling the grievance at that stage)	Investigation	Date: Name Person in Charge: Signature Person in Charge: Name Person to approve:	Date for response to be submitted to the complainant	Planned date: Date of submission:

		Signature Person to approve:		
	Resolution	Date: Name Person in Charge: Signature Person in Charge: Name Person to approve:		Planned date: Date of submission:
	Complainant feedback	Date: Name Person in Charge: Signature Person in Charge: Name Person to approve:		Planned date: Date of submission:
	Close out reporting	Date: Name Person in Charge: Signature Person in Charge: Name Person to approve:		Planned date: Date of submission:
Description of grievance resolution process (date, activity, person responsible)				

Grievance Database

[illegible]

E. Annex – Consultation and Discussion Activities: Up-to-Date

E.1 Introduction

Stakeholder engagement activities were undertaken during the development of the Environmental and Social Management Framework (see Section H. Public Consultation and Information Disclosure of the ESMF) and the Resettlement Policy Framework in 2016 to support the design of the mini grid Project of component II VREP II.

Stakeholder engagement activities under the implementation of the Project started with the Inception Mission that was undertaken by the Consultants' representatives during August-September 2019 in Vanuatu (Port Villa). During this initial visit, consultations were undertaken with pre-identified major project stakeholders. The preliminary discussions focused on:

- The general scope of the Project, and on
- (i) Beneficiary Community Selection Criteria and Methodology;
- (ii) Technology preferences;
- (iii) Business Models; and
- (iv) Legal Framework.

The outcomes of the Inception Mission are documented in the Inception Mission report, which also includes the Inception Mission meeting notes and the Project Management Plan, provided by the Consultant to DOE on 16 October 2019.

E. 2. Summary

The following **Error! Reference source not found.** summarises the stakeholder engagement activities undertaken to date and will be updated as the Project progresses through the pre-construction, construction and operation phases, and will serve as a basis to prepare the decommissioning phase.

	Stakeholder	Date of Engagement	Main Outcomes
1	Department of Energy (DOE)	5 Aug. 2019	DOE presented the Project and the stakeholders, including the organisation of the Project Steering Committee, and the work done to date, including the identification of the communities in the <i>long list</i> . The Project contributes to the Electrification Road Map and Sustainability to 2030.
2	World Bank (WB)	5 Aug. 2019	The WB would like to see the Project be affordable and modular, with private sector involvement. The procurement process shall follow the WB procurement policies while the environmental and social requirements are those of both the World Bank and the local regulations.
3	Department of Environment Protection and Conservation (DEPC)	6 Aug. 2019	DEPC remarked that waste management (especially batteries) should be properly addressed for this type of Project. As of now, the environmental Code of Practice is the only existing regulating addressing collection of battery waste. It is a temporary document put in place until a final regulation is implemented, DEPC expect this will happen in 2022. The Department also recommended to channel official communications with villages through Department of Local Authorities (DOLA) and ensure in parallel that the traditional leaders are properly informed and consulted.
4	Department of Local Authority (DLA)	23 Aug. 2019	The Department suggested to invite the local authority to become a stakeholder in the Project: the provincial government should have a share in the mini-grid organisational set-up so that the return on investment remains within the province. If the message of ownership is not made clear in the beginning, the province will not take responsibility in the case of issues, including land disputes etc. If Provincial Government becomes a shareholder, they may be able to set aside some funds to assist in the management of the mini-grid. Governance for managing funds must be properly established. DLA is represented by 36 Area Administrators across the country.
5	Department of Strategic Policy, Planning and Aid Coordination (DSPPAC)	4 Sept. 2019	According to DSPPAC, the relevant Provincial Government(s) should also help support the information and stakeholder engagement processes. DSPPAC works with DOLA (on water and electricity access).
6	Department of Tourism (DOT)	22 Aug. 2019	DOT oversees the 42 categories of tourism products: each has their own standards (e.g. water, toilet facilities) and owners are responsible for securing electricity access. Touristic activities in the country are not officially mapped and there is no tourism-related grievance mechanism in place. The upcoming Vanuatu Sustainable Tourism Policy highlights the equal participation of women.
7	Department of Health (DOH)	22 Aug. 2019	DOH oversees aid posts, clinics, dispensaries (feeders to health centres), health centres, 7 hospitals (4 in concession areas, 3 outside in Lolowai on Ambae, Abwatuntora on North Pentecost & Melsisi on Central Pentecost).

			<p>Clinics, dispensaries and health centres are located in areas deemed populated enough and accessible to a certain number of people and tend to be on Government-secured large parcels of land.</p> <p>DOH understand they may assist the Project (by providing / sharing land). An MOU between DOH and the Department of Energy was planned to be signed on 19 October 2019 to frame collaboration between the departments, including for this Project.</p>
8	Department of Fisheries (DOF)	21 Aug. 2019	<p>DoF invites all relevant sectors to collaborate, especially in specific rural sites, to avoid that each sector makes its own efforts and runs separate programs.</p> <p>The mini-grids will add valuable benefit to DoF's effort in terms of food production and security. It would be good to have one mini-grid to support all productive sectors rather than each sector having its own at different sites.</p>
9	Department of Education (DOEd)	23 Aug. 2019	<p>DOEd has identified primary and secondary schools that it wants to upgrade, which means they will need additional power sources.</p> <p>DOEd understand they may assist the Project (by providing / sharing land).</p>
10	Department of Cooperatives (DOC)	20 Aug. 2019	<p>There are 371 cooperatives, out of which 321 are in operation, out of which 159 are managed by women. Coops are categorised between tertiary coops (mainly based in urban areas), secondary coops and primary coops (majority of the coops in the country).</p> <p>The DoC sees potential in the mini-grids to assist their efforts in rural areas. The Project can power small food and kava processing units. According to DoC, for the mini-grids to be successful, the host community needs to be empowered and be involved from the start of the Project. The beneficiaries should be encouraged to come up with their own money-making activities.</p>
11	Department of Land (DOL)	9 Aug. 2019	<p>DoL suggests to secure land through approaching the Ministry of Education (MoEdu) and Ministry of Health (MoHealth) to check if they have enough land available to install the mini-grid in pre-selected sites under their realm. This will reduce the land screening process.</p> <p>The second approach is to let the community decide on the land they can offer for setting up the system. DoL believes that the respective communities are in the best position to suggest land for the Project. If they are not able to provide land, it can reasonably be interpreted as they do not want/need the service. If they are able to provide land, it should be formalized somehow in order to minimize risks. The best way to have a legally binding agreement is to lease it: the contract would indeed then be registered. Lease can be done for 3-75 years in Vanuatu.</p> <p>If the land is provided under a lease agreement, it is recommended to include in it tree trimming rights, and to check this aspect with the Ministry of the Environment as it has many</p>

			<p>limitations. Also, DoL recommends to leave clear instruction in the lease agreement as to what could happen if the PV plant is expanded, to limit potential future issues with adjacent owners who may inflate the land price.</p> <p>DOL has topographic maps digitally available, though they are a little outdated (land use map, land cover map, soil type map).</p>
12	Department of Women Affairs (DWA)	7 Aug. 2019	<p>DWA indicated that men normally are the main income generators at the household level and tend take the leading role in negotiations. DWA further remarked that some communities may not agree with consulting with women directly on any project-related issues. DWA remarked that gender issues need to be approached in a balanced way so that men do not feel left out of the project.</p> <p>DWA recommended that, when the sites are selected, the women should be engaged in the committee or whichever organization that becomes the focal point. A possible approach would be to establish a sub-project-related committee/ organization with 1 man and 1 woman together to be selected as focal points for the community.</p> <p>Women can be involved in the O&M stage of the project for billing and payment collection. It is advised to encourage the local contractor to include women in construction activities.</p> <p>Another potential income generating activity that women could lead is the management of an electrically powered coconut oil machine selling the produced oil to the operator to use in the generator. It was also discussed that in fishing villages a fishing cooperative with a common fridge/freezer managed by women could be an interesting approach. All this would require some training in order to increase the capacity.</p>
13	Vanuatu National Statistics Office (VNSO)	7 Aug. 2019	<p>VNSO monitors socio-economic data. It is currently updating the 2016 household income and expenditure survey. The latest census dates from 2016.</p> <p>VNSO has geo-coordinates of every household.</p>
14	Vanuatu Utilities Regulatory Authority (URA)	6 Aug. 2019	<p>URA reminded that proper management of mini-grids is key to secure financial sustainability of the projects. There have been some initial service issues with regard to the collection of amounts owned for electricity consumption. Cross-subsidization of some geographic areas takes place due to limited or no access of some regions to hydro power. For URA, affordability and sustainability of the project are the key aspects, which will impact the success of the project. The variance in the size of households should be taken into consideration as the local economy of the community is subsistence-based and fluctuating.</p>
15	State Law Office	6 Aug. 2019	<p>The State Law Office's role is to review the draft contracts, e.g. for the concessions and licenses.</p>
16	Existing utilities: VUI and UNELCO	8 Aug. 2019	<p>Both existing utilities stated that, regarding Right of Way (RoW)/easement, they have had experience where the community extend the wires to customary land, even after having</p>

			<p>signed agreement with land owners. The original landowners then appear to claim compensation for RoW.</p> <p>UNELCO never paid lease payments to extend distribution lines to customers; UNELCO is of the view that the customer must assume that responsibility.</p> <p>In VUI's experience, the village is made responsible for distribution lines and connection points. The community does the ground work and tree cutting if required. According to them, this is the best approach to avoid risks.</p>
17	Private Solar Vendors	6 Aug. 2019	<p>Four private solar vendors, namely Energy4all, eTech, Savvy Solar, PCS were consulted: they may participate in the Project. The firms provided the following recommendations, based on their experience in the region to provide 24/7 electricity to 100 households powering fridges, Television (TV) sets, and charging devices.</p> <ul style="list-style-type: none"> ii. Provide clear evaluation criteria, iii. Provide detailed system requirements, iv. Provide enough time for proper preparation of proposals v. Provide pre-bid meeting: potentially a site visit would be also helpful, vi. Conduct soil test as essential step to determine the optimum type of foundations. <p>The vendors reminded that there is cyclone risk from November to March and therefore, evacuation plans and material storage has to be carefully planned.</p> <p>Another issue they highlighted is the excessive use of energy by users, connecting very high loads (e.g. welding machine) and overloading the system. All agree that logistics is the most challenging and expensive part of the projects.</p>
18	Electrical Contractors – Solar PV EPC – O&M Contractors and their sub-contractors	8 Aug. 2019	<p>Two contractors were engaged in consultation, namely Vate Electrics, and MD South Pacific Electrics which shared their views on the potential challenges that the Project may face:</p> <ul style="list-style-type: none"> i. <i>Transportation</i> is the main issue because it is difficult, slow and expensive. Theft might happen during transportation. Cost of low voltage distribution lines in the outer islands can be 2x the cost in Efate, and Tanna is twice the cost of Efate for two underground distribution lines. Transportation from Port Vila to the islands can be more expensive than from Australia to Port Vila. There is a theft issue in transporting material to more remote locations. ii. <i>Households</i>. Houses in the villages are normally made of timber and many have very low-quality wiring done, not following any particular standard. This poses a high risk of fire so it is recommended to replace any existing wiring.

			<p>Normal houses in the villages are not robust enough to withstand a roof-mounted installation. Houses are not prepared to withstand system weight.</p> <p>iii. <i>Community Engagement.</i> It is always recommended to engage the community into the project so that they feel part of it. They normally hire people from the community to do jobs like trenching or digging holes for the poles' foundations.</p>
19	Department of Local Authorities (DLA)	30 Oct 2019	DLA was consulted about governance structure at provincial, area council and village level and about the process to launch the EoI consultation. DLA advised the DoE will have to communicate by email to DLA the scope of the consultation and they will liaise with the relevant representatives at the respective Provincial Government departments. The Provincial Government will instruct the respective Area Council Administrator (ACA) to liaise with focal points at village level. ACA will support the mission by helping with its preparation and by joining the mission itself.
20	Energy Steering Committee (ESC)	31 Oct 2019	ESC was called for a meeting with DOE and the Consultant for a briefing session on the current status of the Project and to review and endorse the proposed selection criteria, as indicated in the Inception Report. ESC endorsed the selection criteria and offered their support to guarantee the Project's success.
21	Development Committee Officials (DCO)	12 Nov. 2019	DCO was called for a briefing meeting about the Project, including its status, and to review and endorse the proposed selection criteria, as indicated in the Inception Report. DCO endorsed the criteria and recommended COM to endorse them.
22	Council of Ministers (COM)	13 Nov. 2019	COM reviewed the submitted COM Project Paper providing the background of the Project and details about the suggested selection criteria and process. COM endorsed the criteria.

Table 16. Stakeholder Engagement Activities to Date