FOCUSED ENVIRONMENTAL AND SOCIAL ASSESSMENT

ACCELERATING TRADE FACILITATION AND LOGISTICS IN THE PACIFIC

(P508537)

JULY 28, 2025

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Abbreviations and Acronyms

EAP	East Asia Pacific
ESCOP	Environmental and Social Code of Practice
E&S	Environmental and Social
ESF	Environmental and Social Framework
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standard
GBV	Gender-based Violence
GRM	Grievance Redress Mechanism
IA	Implementing Agency
IPF	Investment Project Financing
NSW	National Single Window
OHS	Occupational Health and Safety
OIPs	Other Interested Parties
PAPs	Project Affected Parties
PMU	Project Management Unit
PICs	Pacific Island Countries
PIF	Pacific Island Forum
PTF	Pacific Trade Facilitation
SEA/SH	Sexual Exploitation and Abuse / Sexual Harassment
SEP	Stakeholder Engagement Plan (Country Level)
SEF	Stakeholder Engagement Framework (Project Level)
TA	Technical Assistance
TIP	Trade Information Portal

Executive Summary

Project Development Objective of the Accelerating Trade Facilitation in the Pacific Project (the Project) is reduce the time and cost required for cross-border trade in Participating Pacific Island Countries (PPICs). The reduction in time for cross-border trade will have a direct benefit on firms and households through lower costs and faster access to global and regional markets.

The Focused Environmental and Social Assessment. A Focused Environmental and Social Assessment (the Assessment) has been developed as the environmental and social risk management instrument for the Project as the Project will finance activities and investments across a diverse range of countries in PICs with varying environmental and social characteristics, each providing its own opportunities and risks. The Project consists of several different activities and / or investments (referred to as subprojects).

The main objectives of the Assessment are to ensure full compliance with the World Bank's Environmental and Social Standards (ESSs) of the Environmental and Social Framework (ESF) and mitigate potential negative environment and social (E&S) risks and impacts during the implementation of the Project. Specific objectives of the Assessment are to: (a) assess the potential E&S risks and impacts of the Project, and propose mitigation measures which will effectively address these risks/impacts; (b) establish clear procedures for the E&S screening, review, approval, and implementation of activities; (c) specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring E&S issues/concerns related to the activities; and (d) identify the training and capacity building needed to successfully implement the provisions of the Assessment.

Eligible Activities/Subprojects. The Project will finance a number of subprojects that focus on (a) Procurement of ***Goods and Supplies*** which include among others port safety and operation equipment, software and infrastructure (servers, telecom, etc.), handling equipment, border clearance hardware and infrastructure such as wash bays, etc., (b) Consulting ***Services*** such as preparatory and feasibility work for larger trade investments, option study for improving small international ports in Outer Islands, training and capacity building, and (c) Small-scale facilitating civil ***Works*** for equipment such as construction/renovation of storage sheds, labs, and potentially drainage infrastructure for wash bays. The project will not support any new construction or other large civil works.

Potential Environmental and Social Impacts and Risks.

The Project's overall Environmental and Social (E&S) risk classification is ***Moderate***. E&S risks and impacts from the activities proposed under components 1 and 2 (i) are expected to be temporary, site specific and reversible in nature and can be mitigated through the standard operating procedures and good international industry practices. The downstream impacts from component 2 (ii) could be moderate to substantial based on the type of studies that will be requested by the government..

Key environmental and social impacts and risks from activities propsoed under components 1 and 2 (i) are listed below:

- ***Occupational health and safety (OHS)***. The use and procurement of heavy vehicles for this project involve significant occupational health and safety risks, including falls from height, vehicle collisions, ergonomic hazards, chemical exposure, driver fatigue, and equipment failure. The Environmental and Social Code of Practice (ESCOP) addresses

these issues through comprehensive safety protocols, regular risk assessments, clear operating procedures, and training requirements, all outlined in the POM and enforced during procurement and operation. Vehicle safety features specified in ESCOP, such as load monitoring systems, stability control, operator safety cabins, and anti-slip technology, are required in both bidding documents and supplier contracts. Operators must be trained and certified per relevant standards. Control measures include daily pre-operational checks, secure load handling, careful path planning, traffic management, mandatory PPE, fatigue management, and routine vehicle maintenance—all aimed at minimizing workplace hazards and ensuring compliance with ESCP provisions. The construction contractors will be exposed to OHS risks during civil works. Risks will arise from a range of hazards such as the use of hazardous materials, heavy machinery, movements of trucks, working at high, falling objects, exposure to toxic welding gases, chemicals, noise, emissions etc. ESCOP for managing the construction stage OHS risks are included in Annex 2 and shall be integrated into the contractor bidding documents as per the provisions in ESCP. Each participating country will develop Labor Management Procedures (LMPs), addressing labor risks and compliance with ESS2. Contractors and subcontractors must also implement OHS measures and enforce worker Codes of Conduct.

- ***Resource efficiency and pollution prevention and management***. Key pollution risks include waste generation during construction and operations, end-of-life disposal of replaced equipment, and wastewater from washbay facilities. Managing hazardous waste is challenging due to the lack of suitable disposal facilities in many target countries, requiring strict adherence to ESS3, including chain of custody documentation and use of approved disposal sites. ESCOP (Annex 2) mandates mitigation hierarchy, supplier take-back of replaced equipment and hazardous waste, and integration of these practices into project operations and contracts. Wastewater from container washbays must be treated to international and local standards, leveraging existing port facilities or installing compliant systems when needed. Civil works will be minor, with limited resource use, and extraction of materials from sensitive areas is prohibited. The project aims to reduce emissions, waste, and resource consumption, especially through digital customs initiatives. Preparatory studies will integrate E&S assessments and formal review processes to address future resource and pollution impacts.
- ***Community health and safety***. The project, situated within existing port facilities, is not expected to significantly affect local community health, safety, or security. Potential risks from transporting equipment and heavy vehicles will be managed through strict safety measures (ESCOP – Annex 2), including trained drivers, vehicle maintenance, and enforcement of traffic laws. Security arrangements will follow the International Ship and Port Security (ISPS) code, supplemented by assessments of security forces, training in proper conduct, and an established grievance mechanism to align with ESS4 standards.
- ***Biodiversity and cultural sites.*** The Project does not involve any new construction which could affect terrestrial biodiversity and / or cultural sites. However, given that communities of the participating countries rely on coastal and lagoon habitats for ecosystem services, increased discharge volumes of wastewater have the potential for minor impacts to biodiversity such as fish kills or damage to coral from sedimentation. The screening procedure (Chapter 5) will exclude activities that would lead to adverse impacts on natural habitats whether directly or indirectly. Any waste disposal site which would adversely affect natural habitats, or cultural sites would not be used under the Project.
- ***Land Acquisition and Resettlement:*** The project will not finance any civil works that would trigger involuntary land acquisition, the installation of small-scale equipment (e.g., container wash bays, X-ray scanners) may require minor land use changes or

temporary access restrictions within existing port facilities. This necessitates careful screening to ensure no physical or economic displacement occurs, or if it does, it is minor and managed in accordance with ESS5. The preparatory work for larger port investments (Component 2.2) will identify potential future land acquisition needs, which will be assessed in subsequent phases.

- ***Vulnerable Groups:*** The project operates in a region with diverse populations, including Indigenous Peoples and other vulnerable groups. While the project's direct interface with communities is limited, changes in trade processes or port operations could indirectly affect small-scale traders, informal workers, or communities reliant on port activities. The project will need to ensure equitable access to benefits and information, and that potential adverse impacts on vulnerable groups are identified and mitigated.
- ***Stakeholder Engagement and Grievance Mechanisms:*** Effective stakeholder engagement and accessible grievance redress mechanisms are crucial, especially given the multi-country context and the potential for diverse local concerns regarding trade processes and port operations
- ***Downstream impacts.*** Technical Assistance (TA) activities may result in downstream impacts from future development, construction activities, and civil works. Examples of impacts include changes to drainage or groundwater contamination from poor planning, use of finite resources and the associated impacts (e.g., for aggregate abstraction), and the generation of dust, noise and waste from construction and rehabilitation activities or civil works.

The Project will also result in reduced environmental impact of trade, particularly through digitalization customs initiatives. This includes (a) reduced greenhouse gas emissions, (b) reduced waste generation and (c) resource consumption related to trade processes. Digitalization of trade procedures will promote paperless trade processes and online trade information portals which can reduce the carbon footprint of trade transaction. Paper waste may decreased as a result of streamlined procedures through enhanced online trade procedures that reduce the requirement for paper-based documents. Energy usage related to traditional trade processes can be reduced by digital trade facilitation.

Proposed mitigation measures for these and other environmental and social risks are detailed in Chapter 4 and Annex 2.

Procedures to Address Environmental and Social Issues. The environmental and social (E&S) risk management procedure will be included in the Project Operational Manual (POM), implemented and streamlined through the Project's design, process and mechanism. The procedure aims to: (i) Screen for potential TA related activities such as preparatory studies to determine their eligibility for project funding by referring to the TA Screening Procedure as prescribed in Annex 1; (ii) preparation, review and approval of the Terms of Reference (ToR) for the TA studies as per procedures to be outlined in POM (ii) Identify approach for E&S risk management and impact mitigation based on subprojects typology as well as possible E&S risk management tools (i.e. Environmental and Social Code of Practice or ESCOP, Workers Contracts, etc.) to be applied during project implementation; and (iii) Provide clarity on monitoring and reporting mechanism.

Institutional Arrangement for E&S Instruments Implementation. The project will be implemented through Project Management Units (PMUs) in each participating country. The PMUs will be responsible for overall project management in close coordination with

implementing agencies and to ensure compliance with fiduciary and safeguard requirements. Given the limited scope of procurement activities, only a single PMU per country is envisioned; implementing agencies will cooperate through this joint PMU rather than have in-house implementation units. PMUs will also be responsible for coordination among country-level stakeholders, including Ministries of Trade, Customs Agencies, Ports Authorities, and other upstream border management agencies (biosecurity, standards, etc). It is expected that PMUs will formalize coordination among key stakeholders through a country-level steering committee and/or MOUs between the PMU and these agencies.

1. Introduction

1.1. Background

The Accelerating Trade Facilitation in the Pacific Project (the Project) aims to reduce the time and cost required for cross-border trade in Participating Pacific Island Countries (PPICs). The reduction in time for cross-border trade will have a direct benefit on firms and households through lower costs and faster access to global and regional markets. The PDO will be assessed using existing, globally standard methodological approaches (e.g. the Time Release Studies), which measures the actual performance of Customs and other border agency activities as they directly relate to trade facilitation at the border. The reduction in time will contribute to a reduction in cost for trade but as there are many other factors that also affect pricing, the Project will monitor this impact through an intermediate results indicator that tracks the total cost to comply with export procedures as measured and reported through the B-READY report.

The Project was requested by Pacific leaders during the 2024 visit of the World Bank President and is expected to help implement key aspects of the Pacific Regional Trade Facilitation Strategy through investments into digitalization, equipment, and capacity building. Each of the project components builds upon extensive WBG technical assistance and operational experience in the areas of trade facilitation and maritime transport as well as regional coordination on trade facilitation. At the country level, this will lead to faster and less expensive trade with better market access; at the regional level, harmonized trade facilitation systems can build economies of scale and further reduce costs. The Project will be implemented in Fiji, Solomon Islands, Vanuatu, Tonga, Tuvalu, and Kiribati. Other Pacific countries may join the Project in the future.

The Pacific Region Context. The Pacific Island Countries (PICs) are characterized by small populations spread across vast areas. The 12 PICs which are members of the World Bank include Papua New Guinea (PNG), Fiji, Kiribati, the Marshall Islands, the Federated States of Micronesia (FSM), Nauru, Palau, Samoa, the Solomon Islands, Tonga, Tuvalu, and Vanuatu. These island nations are characterized by smallness and remoteness, with low populations spread across 15 percent of the Earth's surface.[1] The Pacific region has 11.5 million people with populations ranging from PNG (approx. 9.0m) and Fiji (900,000) at the higher end down to Nauru and Tuvalu (approximately 11,000 each). Physical connectivity is challenging, with irregular and often unreliable flights and other travel options. Pacific Island countries are also some of the most vulnerable in the world to the effects of climate change and disasters. The World Risk Index 2020 ranks five Pacific Island countries among the top 20 most at-risk countries, including Vanuatu and Tonga, which are ranked first and second, respectively. All the countries are vulnerable to external shocks and six are Fragility, Conflict and Violence (FCV) countries.

Several structural challenges, including remoteness, geographic dispersion, and small market size, undermine economic development in the Pacific. These factors naturally lead to higher costs and limits in the economies of scale that PICs can achieve. Unlike the East Asian countries, the development path of the PICs has not relied on manufacturing-led development, given the high trade costs. As a result, countries in the Pacific tend to have

[1] For example, Kiribati is one of the world's most remote and geographically dispersed countries, consisting of 33 coral atolls spread over 3.5 million square kilometers of ocean, an area larger than India. It also has the lowest GDP per capita in the region, closer to those found in sub-Saharan Africa.

narrow production and export bases, dominated by tourism and trade of primary commodities such as fish and wood, where the countries have a comparative advantage.

Sectoral Context. Trade across borders in the PICs is costly and slow for intrinsic and extrinsic reasons. The PICs have low container shipping connectivity, resulting from low trade volumes, fewer port calls, and limited trade opportunities. This makes shipping costly and less attractive to shipping lines. For instance, there is only one international cargo shipping operator in Kiribati, with infrequent arrivals connecting to limited locations. Similarly, Niue has only one ship per month, and Nauru averages 8-10 ships per year, posing a threat to food security if the ship does not arrive as scheduled. Furthermore, the lack of coordination between port stakeholders often leads to unnecessary delays in vessel and cargo clearance processes, increasing logistics costs for domestic and regional traders. The implementation of data-sharing platforms, such as single windows or community systems, is still pending in most countries, hindering ports from reaching their full potential in terms of efficiency, resilience to external risks, and reducing their environmental impact. Maritime safety, particularly for domestic sectors, is also a critical issue that needs attention in the PICs.

Costs are further driven by logistics and trade infrastructure gaps and excessively complex and costly procedures at the border**.** Detailed analytical and advisory work carried out since 2015 in the Pacific revealed that border processes remain complex and pointed to some common issues, including the following: (i) lack of coordination and information sharing between border agencies, which greatly increases the time to clear cargo at wharf and compliance costs; (ii) absence of electronic system outside of customs, meaning that traders must deal with manual processes at all other agencies (that typically requires multiple visits to different offices); (iii) absence of risk management systems to provide a fast track for traders with a good compliance record; and (iv) the information on regulations, fees and administrative procedures that traders must comply with is difficult and time-consuming to find, which increases costs and reduces compliance levels.

The Pacific Regional Trade Facilitation Strategy (PRTFS) encapsulates the strong regional demand for trade facilitation reform**.** Developed by the Pacific Islands Forum (PIFS) with support from the World Bank Group (WBG), the strategy aims to reduce the time and cost of trading goods across borders, boosting trade in the Pacific. The PRTFS contributes to the Resource and Economic Development thematic area of the 2050 Strategy for the Blue Pacific Continent (2050 Strategy). It is expected to stimulate the growth of international and intra-regional trade. The primary purpose of the PRTFS is to implement regional reforms (actions) to reduce the time and cost of trading goods across borders. The Strategy defines five strategic objectives that lead to twenty-two regional actions.

1.2. Rationale, Objective and Scope of the Focused E&S Assessment

A Focused Environmental and Social Assessment (the Assessment) has been developed as the environmental and social risk management instrument for the Project as the activities financed under component 1 and 2(i) of the project have potentially limited adverse environmental and social risks and/or impacts.

The main objectives of the Assessment are to ensure that the activities under the project achieve outcomes that are materially consistent with the outcomes of World Bank's Environmental and Social Standards (ESSs) of the Environmental and Social Framework (ESF)

and mitigate potential negative environment and social (E&S) risks and impacts during the implementation of the Project.

Specific objectives of the Assessment are to: (a) assess the potential E&S risks and impacts of the Project, and propose mitigation measures which will effectively address these risks/impacts; (b) establish clear procedures for the E&S screening, review, approval, and implementation of activities; (c) specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring E&S issues/concerns related to the activities; and (d) identify the training and capacity building needed to successfully implement the provisions of the Assessment.

The Assessment provides principles and specific process and technical guidance to the Project Management Units (PMUs) and Implementing Agencies (IAs) and their consultants to manage the E&S risks and impacts of the Project activities, including ensuring that individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable, are not disproportionately impacted and have access to the development benefits resulting from the Project. The Assessment is applicable to all activities and investments under the Project.

As the scope of preparatory studies and feasibility work for future gov't investment priorities in maritime trade, fisheries, etc under component 2 will be defined in Year 2 of the project implementation, the extent of downstream impacts are unknown.

The assessment also includes principles of adaptive management which includes mechanisms for ongoing monitoring, and appropriate revisions in instruments to reflect the downstream impacts of the preparatory studies when the scope is defined. The TA Screening procedure defined in Annex 1 will scope the downstream risks and impacts of the preparatory studies including the appropriate methods and assessment tools, consistent with current good international industry practice, and proportionate to the risks and impacts.

1.3. Methodology

The development of the Focused Environmental and Social Assessment comprises of the following three steps: (1) Desk Review on relevant documentation, and (2) preparation of the Assessment.

Desk Review: As well as the relevant national legislation and the World Bank Environmental and Social Framework (ESF), several documents related to the Project were reviewed, among others:

- Pacific Islands Regional Trade Facilitation Strategy: Report on National Consultations January to June 2022
- Pacific Islands Forum Secretariat: Regional Trade Facilitation Strategy for the Pacific Island Countries – Virtual Workshop 10-12 June 2021
- Pacific Islands Forum Secretariat: Pacific Aid for Trade Strategy 2020 – 2025
- Project Appraisal Document (PAD)
- The Project's Environmental and Social Review Summary (ESRS) – Concept stage version.

Additionally, several reports and research papers on the natural and social environment in PICs were also referenced.

Preparation of the Focused E&S Assessment: Preparation of the Assessment included the following stages:

- Collation of secondary baseline data on the environmental and social conditions of the participating countries in general.
- Identification of positive and negative environmental and social impacts of the works and / or activities to be conducted and funded by the Project (i.e., indicative activities).
- Identification of environmental and social mitigation measures, including formulation of Environmental and Social Code of Practice (ESCOP) for minor civil works.
- Preparation of screening procedures applicable for the Project.

2. Project Description

2.1. Project Component

The Project includes three components, combining regional impact with the flexibility to customize specific investments to the needs of each country participants**.** In every country, the Project will finance the implementation and/or expansion of the National Single Window for trade, which will ensure a common digital approach to trade throughout the Pacific, enabling easier exchange of data and promoting economies of scale in trade. In addition, each country will have access to capacity building and training materials for businesses. The Project will additionally finance equipment and preparatory studies, with the specific nature of these investments customized to the context of each country. Finally, a component on regional coordination will help maximize synergies across countries while also helping to spread awareness of Project reforms and approaches to other Pacific economies not in the Project.

Component 1: Customs and Border Management Operations finances (subcomponent 1.1) the adoption and implementation of the customs management system (ASYCUDA) and the National Single Window for trade in each country with investments in hardware, software, and process reforms. The component also finances (subcomponent 1.2) equipment used for customs clearance of goods such as X-ray scanners, testing equipment, container hygiene equipment, etc. where needed. Finally, the component includes (subcomponent 1.3) capacity building and training activities aimed at helping businesses build trade capacity and providing technical and vocational skills to workers to operate and maintain the equipment provided through the Project. Training and capacity building activities will include a focus on women entrepreneurs and vocational skills beneficiaries. Subcomponents 1.1 and 1.3 are included in all countries; subcomponent 1.2 will be implemented only where there are gaps in customs equipment.

Sub-component 1.1: Digitizing cross-border trade. Trade facilitation and digitalization are closely linked. The adoption of emerging technologies and digitalization in customs and border clearance processes provides transparent access to information for traders, ensures harmonization and interoperability across countries, and reduces the amount of time spent on meeting requirements to import and export. This sub-component finances the digitalization of cross-border trade in two key areas:

a) The core **customs management system** will be upgraded for each country, through the enhancement of the Automated System for Customs Data (ASYCUDA). There are currently several different generations of ASYCUDA in use in the Pacific, many of which are outdated with some no longer being serviced with critical updates. The Project will finance countries

to move to the most current version of ASYCUDA and to improve capacity to implement the system at the local level. The common need across the Pacific to update customs management systems allows the Project to ensure a regionally harmonized solution is implemented that allows for interoperability, data exchange, and economies of scale in capacity building and technical support.

b) To maximize the benefit of ASYCUDA on reducing time and cost for trade, it is essential to also support digitalization in agencies other than customs which are involved in border control (Biosecurity, health / food safety, standards, and technical regulators, sectoral regulators, etc.). The **National Single Window** links all relevant government agencies, service providers and traders, enabling them to exchange the required information, clearances and payments through a single online portal. National Single Windows reduce redundancy and reliance on paper by allowing traders to submit all required trade-related information through a single electronic gateway. National Single Windows are still in early stages of development in the Pacific, with the exception of Vanuatu, where a robust NSW has been implemented with ongoing expansion of the system to cover additional border management agencies. The Project will work with each country to design and implement a National Single Window, ensuring harmonization across countries. There is potential to capture economies of scale in this subcomponent by developing a common core system to use across countries.

Sub-component 1.2: Equipment for customs processing. The sub-component will finance specific hardware assets needed for customs processing including, *inter alia*, testing equipment, container hygiene equipment, and X-ray scanners. These assets will reduce the time needed for customs clearance by reducing the demand for physical inspection of cargo and enabling risk-based approaches. In addition, the assets facilitate compliance with import requirements in key regional trade partners and with trade facilitation obligations under free trade agreements. The primary focus for investments under the Project is the primary international port, but equipment may also be provisioned for secondary international ports where necessary.

Sub-component 1.3: Export readiness capacity building for firms and vocational skills training for individuals. The sub-component will finance training and capacity building activities in two areas. The Project will provide training for both existing and potential exporting businesses to boost their knowledge of trade facilitation requirements, export market access regulations, and resources to help them become exporters. The activity will also help increase the share of women-led businesses exporting their products by addressing knowledge and capacity constraints. This sub-component will also coordinate with sectoral interventions (e.g., in agri-production, fisheries, light manufacturing, etc.) to help strengthen market access for firms at the sector level. The Project will also finance technical and vocational skills training for individuals related to the equipment procured through the Project. For instance, many countries need additional tugboats and pilot boats, but they also face a limitation in the number of properly trained individuals to operate and maintain these assets. The Project will aggregate regional demand for this kind of technical training with a focus on women's participation.

Component 2: Port Operations will finance (subcomponent 2.1) equipment and systems used by ports management agencies as well as (subcomponent 2.2) preparatory and feasibility work on longer term maritime infrastructure investments. Specific equipment needs at the country level have been identified in areas including operations, resilience, safety, and management needs (*inter alia* hardware and software to efficiently move ships from ports to terminals, vessel and container tracking systems, and container handling equipment).

Investment needs have been prioritized based on enhancing efficiency for cross-border trade and compl complementarity with ongoing ports investments by governments, the private sector, and development partners.

Sub-component 2.1: Equipment and systems for port operations. The sub-component will finance the equipment and systems needed by ports authorities and government port operators to facilitate the movement of goods to/ from – and through - the ports. The subcomponent will include, inter alia, acquisition of aids to navigation, pilot boats, tugboats, and excavators for improving navigation performance and safety, cargo handling equipment such as forklifts and reach-stackers for moving and stacking cargo, vessel and container tracking systems to facilitate efficient and resilient processing of goods including assets to guide ships to port, and other selected ports safety and operation equipment. In many cases, the international ports have contracted private firms to provide stevedoring services, defined as activities directly connected with loading or unloading vessel cargo, stacking and storing on the wharf, and receiving and delivering cargo within the terminal or facility. In these cases, it is the responsibility of the firm to provide the necessary equipment, and these are not included in the project. The subcomponent will not support any large-scale civil works.[2] The activities in each country are defined depending on the unique needs of the country, the presence of private stevedores, and the ongoing projects of other development partners.

Investments in Sub-component 2.1 will also help facilitate resilience to natural and climate related hazards. Together with trade facilitation practices introduced under sub-component 1.1, such as expedited clearance regimes, the investments in sub-components 2.1 will help facilitate continuous access to foreign markets in the preparation and response to a crisis. Investments in this area such as excavators / repair equipment and aids to navigation can be used to reduce risks during a natural disaster and to return ports to active operation more quickly in the aftermath of the event.

Sub-component 2.2: Preparatory work for longer-term maritime investments. To reduce trade time and costs significantly, large physical improvements will most likely be necessary in the mid to long term to expand the physical capacity of wharfs and ports. While the Project will not finance any large-scale civil works, the subcomponent will assist in preparatory activities in the maritime sector for future capital investments. This may include, according to the needs of each country, a master plan, pre-feasibility studies, feasibility studies, environmental and social assessments, port operation efficiency improvement, port governance improvement, including private finance mobilization where possible, and/or resilience enhancement study for port operations. The activities will also be prioritized where there is potential for WBG or another development partner or the private sector to finance the investments scoped under the component. Sectoral feasibility work may also be considered where ports and trade facilitation investments are important to national competitiveness at the sector level, such as in fisheries or agricultural processing. The component may also explore potential PPP engagements with IFC and MIGA input in areas with potential for private sector investment (e.g. logistics, cold chains, dry docks, etc.).

Component 3: **Project Management and Regional Capacity Building.**

Sub-Component 3.1: Project Management. This subcomponent will finance Project Management Units (PMU) and their operations. Implementation arrangements will vary by country but in every case, the Project will finance sufficient procurement, financial management, safeguards, and project management expertise to implement the project

[2] Very light civil works related to drainage or installation of equipment may be needed

activities. Some Project borrowers (Tonga, Tuvalu, Kiribati, and PIFS) have existing shared service units or PMUs that can be leveraged to help with implementation.

Sub-Component 3.2: Capacity building in regional bodies to support comprehensive trade facilitation reform. While most project resources are delivered through country-level interventions, the project also seeks to strengthen regional capacity to support trade facilitation reforms. This recognizes the regional nature of trade facilitation and ensures country-level investments remain aligned to broader regional commitments (WTO TFA obligations, the joint PIFS-WBG Pacific Regional Trade Facilitation Strategy, etc). The Project will work with the Pacific Islands Forum Secretariat (PIFS) to strengthen its capacity to coordinate the implementation of the Regional Trade Facilitation Strategy. In particular, the Project includes grant financing that will be used to strengthen the trade facilitation unit at PIFS by recruiting a coordinator and a technical specialist. PIFS may also play a role in supporting the delivery of Time Release Studies, which will be the primary M&E instrument used to assess progress against the PDO.

2.2. Project Beneficiaries

The project will directly and indirectly benefit business and households for the ~2 million inhabitants of Fiji, Solomon Islands, Vanuatu, Tonga, Tuvalu, and Kiribati. Direct project beneficiaries include businesses and individuals engaged in cross-border trade. This includes firms exporting their products to regional and global markets, as well as firms and individuals importing intermediate and consumption goods. These beneficiaries will have lower costs and faster clearance times for their goods as a result of the project. Another cohort of direct beneficiaries includes businesses that are not currently exporting due to their lack of awareness of ability to comply with trade facilitation regulations and processes. The project includes capacity building and training activities aimed at bringing more businesses into cross border trade, particularly for female headed businesses. Indirect beneficiaries include businesses and households who purchase imported goods. These beneficiaries will see some cost reductions both through the project interventions to reduce costs as well as through a potential increase in traders, leading to greater competition. Finally, the Project is expected to benefit people in the aftermath of natural and climate related hazards by enabling faster access to crisis response goods.

2.3. Indicative List of Activities / Subprojects[3]

Based on the type of activities or subprojects presented in Section 2.1, a pre-screening was conducted to identify approach for E&S risk management and impact mitigation. This pre-screening also identifies possible E&S instruments and / tools to be applied during Project implementation, based on subprojects typology[4]. Screening procedure is described in Annex 1, and pre-screening result is presented in Chapter 5.

[3] **Subprojects** refer to activities and / or investments to be funded through the Project. Each of subprojects will be screened using procedure outlined in Chapter 5. Based on its typology, E&S risk management measures will be applied using tools or instruments identified in Chapter 5.

[4] **Subprojects typology** refers to type of subprojects. All potential subprojects will be grouped according to a typology, defined based upon the nature and scope of the activity, the adequacy of the environmental and social management plan, as well as the resulting environmental risk. In this case, the typology of sub-projects to be financed by the Project are: (1) procurement of goods, (2) services, and (3) minor civil works.

The project activities will include expenditures as identified in Table 1 below.

Table 1. Indicative List of Goods, Services and Works

Goods and Supplies
Component 1: ➢ Digitizing cross-border trade including ASYCUDA upgrade and enhancements (Customs) – NCS software, Procurement of NSW software and infrastructure (servers, telecom, offices, vehicles) ➢ Equipment for customs processing include border clearance hardware (X-Ray scanners) and quality infrastructure for trade (testing equipment), container wash bays, weighing equipment, laboratory testing equipment for conducting sample test of cargos, Vessel traffic management system
Component 2: ➢ Equipment and systems for Port operations: Aids to Navigation, VTS, Tugboat, Pilot Boat, Vessel Tracking System, Excavator, Security/Safety Patrol Boat, Floodlighting, Yard Sweeper, Rubbish Trucks, Skip Bins, Terminal Operation System, Forklift 10 tons, Forklift Reach stackers, Container Truck, Navigation Lights, 4WD to fix navigation lights in hills ➢ Handling equipment (e.g., forklift, tow trucks, cranes, etc.) ➢ Facilitate resilience to natural and climate related hazards: excavators / repair equipment, and aids to navigation
Services
Component 1: ➢ NSW development and implementation for all border agencies ➢ Export readiness capacity building for firms and vocational skills training for individuals: • Training for both existing and potential exporting businesses to boost knowledge of trade facilitation requirements, export market access regulations, and resources to help them become exporters • Technical and vocational skills training for individuals related to the equipment procured through the Project.
Component 2: Preparatory works for larger physical investments (to be conducted in year 2-3 project implementation) to expand the physical capacity of wharfs and ports. Potential investments include wharf expansion, upgrade of domestic ports to serve international routes, new fishery terminal. Preparatory works include, but not limited to master plan, pre-feasibility studies, environmental and social assessments, port operation efficiency improvement study, etc.
Component 3: ➢ Project management and implementation supports ➢ Capacity building in regional bodies to support comprehensive trade facilitation reform
Small-scale Facilitating Civil Works
Wash bay construction/installation and Potentially drainage infrastructure for wash bays

Sources: Project's PAD and Draft Procurement Plan

3. Policy, Legal and Regulatory Framework

3.1. World Bank Environmental and Social Standards

The Project's overall Environmental and Social (E&S) risk classification is ***Moderate.*** The E&S impacts are expected to be temporary, predictable, and readily managed. Minor civil works required to facilitate installation and storage of equipment and assets for custom and port authorities have the potential to generate E&S impacts as does procurement of the equipment and digital infrastructure investments. Nine of the ten Environmental and Social Standards (ESSs) of the WB's Environmental and Social Framework (ESF) have been screened as relevant:

Table 2. Relevant E&S Standards

ES Standards	Objectives	Relevance to the Project (source: ESRS-Concept)
ESS1: Assessment and Management of Environmental and Social Risks and Impacts	Sets out the Borrower's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank through Investment Project Financing, in order to achieve environmental and social outcomes consistent with the ESS's.	E&S risks and impacts are expected to be temporary, predictable, and readily managed. Civil works required to facilitate installation and storage of equipment and assets for custom and port authorities have the potential to generate E&S impacts as does procurement of the equipment and digital infrastructure investments. The scope of civil works will be limited to small-scale facilitating works for equipment (construction/renovation of storage sheds, labs and potentially drainage infrastructure for wash bays with low to moderate environmental risk). E&S mitigations for civil works and the end-of-life waste management procedures will be appended as ESCOP to the works contract and elaborated in the POM. The ESCP will require that borrower assess the downstream impacts from the preparatory studies in accordance with the ESS and also a Code of Conduct be developed and signed by all project workers to address SEA/SH risks.
ESS2: Labor and Working Conditions	- Promote safety and health at work; - Promote the fair treatment, non-discrimination and equal opportunity of project workers; - Protect project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate; - Prevent the use of all forms of forced labour and child labour; - Support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law; - Provide project workers with accessible means to raise workplace concerns.	The use and procurement of heavy vehicles for this project involve significant occupational health and safety risks, including falls from height, vehicle collisions, ergonomic hazards, chemical exposure, driver fatigue, and equipment failure. The Environmental and Social Code of Practice (ESCOP) addresses these issues through comprehensive safety protocols, regular risk assessments, clear operating procedures, and training requirements, all outlined in the POM and enforced during procurement and operation. Vehicle safety features specified in ESCOP, such as load monitoring systems, stability control, operator safety cabins, and anti-slip technology, are required in both bidding documents and supplier contracts. Operators must be trained and certified per relevant standards. Control measures include daily pre-operational checks, secure load handling, careful path planning, traffic management, mandatory PPE, fatigue management, and routine vehicle maintenance—all aimed at minimizing workplace hazards and ensuring compliance with ESCP provisions. The construction contractors will be exposed to OHS risks during civil works. Risks will

		arise from a range of hazards such as the use of hazardous materials, heavy machinery, movements of trucks, working at high, falling objects, exposure to toxic welding gases, chemicals, noise, emissions etc. ESCOP for managing the construction stage OHS risks are included in Annex 2 and shall be integrated into the contractor bidding documents as per the provisions in ESCP. ESCOP will be incorporated into the bidding documents (reflected in the ESCP). Failure to adhere to contract provisions constitutes a breach of contractual obligations. The bidding documents/contracts/supplier agreement will outline penalties for non-compliance with environmental and social risk management measures (such as ESCOP, SEP, and Codes of Conduct, etc.). Each participating country will develop Labor Management Procedures (LMPs), addressing labor risks and compliance with ESS2. These will cover, inter alia, adequate labor and working conditions including: fair terms and conditions of employment, non-discrimination, OHS, freedom of association, protections for vulnerable workers and restrictions on child and forced labour, and access to a grievance mechanism.". Contractors and subcontractors must also implement OHS measures and enforce worker Codes of Conduct.
ESS3: Resource Efficiency and Pollution Prevention and Management	- Promote the sustainable use of resources, including energy, water and raw materials; - Avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities; - Avoid or minimize project-related emissions of short and long-lived climate pollutants; - Avoid or minimize generation of hazardous and non-hazardous waste; - Minimize and manage the risks and impacts associated with pesticide use.	Construction waste will require management for civil works. ESCOPs on waste management in environmentally safe and sound manner will be appended to the works contract. The waste management procedures will require consideration of waste disposal locations, hazardous waste management and pollution prevention and control and resource efficiency and adequate training for workers who will handle such materials. Operation of container wash bays will generate wastewater which will require management. Mitigation measures (Chapter 4) and ESCOP (Annex 2) includes provision for wastewater management. These provisions will be included in the Project Operational Manual (POM) and relevant bidding documents. Procurement of equipment will generate waste downstream which will require management, including potentially hazardous waste management. The ESCOP includes guidance on end-of-life management of waste to avoid pollution and which includes either (a) arrange for supplier/contractor take back or (b) disposal methods in accordance with Good International Industrial Practice (GIIP) including through landfill sites being operated in accordance with GIIP requirements.
ESS4: Community Health and Safety	- Anticipate and avoid adverse impacts on the health and safety of project-affected communities during the project	The community health and safety impacts encompass increased heavy vehicle traffic, which may pose safety risks to vulnerable road users such as pedestrians and cyclists, as well as the operation of heavy machinery (like forklifts, trucks, and

	life cycle from both routine and non-routine circumstances; - Promote quality and safety, and considerations relating to climate change, in the design and construction of infrastructure, including dams; - Avoid or minimize community exposure to project-related traffic and road safety risks, diseases and hazardous materials; - Have in place effective measures to address emergency events; - Ensure that the safeguarding of personnel and property is carried out in a manner that avoids or minimizes risks to the project-affected communities.	cranes) at existing ports. Additional concerns include the environmental impact from construction activities, vehicle responses to emergencies, and the behavior of project workers. To address these issues, the project will implement safety measures for all heavy vehicle operations, ensuring that drivers are adequately trained and licensed, that vehicles are properly maintained and regularly inspected to minimize the risk of mechanical failures that could cause accidents, and that speed limits and other traffic regulations are strictly enforced. These measures are outlined in the project's Environmental and Social Code of Practice (ESCOP). The project has a moderate risk of sexual exploitation and abuse/sexual harassment. The Project will develop and enforce strict Codes of Conduct for all project workers prohibiting SEA/SH, incorporate SEA/SH clauses into all contracts, mandate SEA/SH training for project personnel, establish accessible and survivor-centred grievance mechanisms for affected communities and workers, conduct locally tailored awareness campaigns on SEA/SH risks and reporting, and monitor implementation through indicators such as CoC signings, incident reporting and resolution, and training delivery.
ESS 5: Land Acquisition, Restrictions on Land use and Involuntary Resettlement	Sets out the responsibilities of the borrowers to address project-related land acquisition and restrictions on land use. Project-related land acquisition or restrictions on land use may cause a physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both	The project involves minor civil works, namely for instillation and storage of equipment and assets for custom and port authorities. These activities are expected to occur within the existing footprint of customs and border control facilities, thus no additional land is expected to be required. The project will ensure that land boundaries, ownership and use due diligence is undertaken prior to any (minor) civil works. All TA activities will incorporate the requirements to screen for ESS5 risks. The ESCP has included the ESS5 requirements including that any land take preparation process(es) includes an assessment of land acquisition and resettlement/rehabilitation policy and regulatory frameworks in each of the participating countries to detail Implementation mechanisms and conformity with ESS 5.
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Applicable to projects that potentially affect biodiversity or habitats, either positively or negatively, directly or indirectly, or that depend upon biodiversity of their success. ESS 6 recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development.	The technical advisory activities developed as part of the project could lead to downstream effects on biodiversity conservation and the sustainable management of living natural resources, such as feasibility studies or expanded port infrastructure, which may create environmental and social risks related to construction and expanded port operations. The project will perform environmental and social screening (see Annex 1) for these advisory activities and the Terms of Reference for undertaking the TA activities will include provisions for assessing the downstream impacts on biodiversity conservation and the sustainable management of living natural resources

ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Applies to communities or groups of Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities who, during the lifetime of members of the community or group, have lost collective attachment to distinct habitats or ancestral territories in the project area, because of forced severance, conflict, government resettlement programs, dispossession of their land, natural disasters, or incorporation of such territories into an urban area.	The project is operating in several countries that have Indigenous Peoples as per the ESS7 criteria, however ESS7 is not currently relevant to the Project. The ESCP includes provisions requiring screening for IP considerations in E&S assessments as per this FESA. This will include tailored IP considerations relevant to the country and project activity.
ESS 8: Cultural Heritage	Recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. People identify with cultural heritage as a reflection and expression of their constantly evolving values, beliefs, knowledge and traditions. Cultural heritage, in its many manifestations, is important as a source of valuable scientific and historical information, as an economic and social asset for development, and as an integral part of people's cultural identity and practice. ESS 8 sets out measures designed to protect cultural heritage throughout the project life cycle. This ESS sets out general provisions on risks and impacts to cultural heritage from project activities.	ESS8 is considered relevant. The project includes physical improvements under Component 2, specifically Subcomponent 2.1, which involves the acquisition and installation of small-scale trade facilitation equipment and assets such as X-ray scanners, container wash bays, cranes, forklifts, and trucks. While these are described as "small-scale," their installation and operation, particularly within existing port and customs facilities, may involve earth movement, minor civil works, or modifications to existing structures. Such activities have the potential to impact unknown archaeological resources or built heritage within or adjacent to these facilities. Furthermore, the project's focus on enhancing trade and logistics could indirectly affect intangible cultural heritage related to traditional trade practices or community access to culturally significant areas within port vicinities. Therefore, meaningful stakeholder consultation as part of the SEF/SEP and the implementation of a Chance Finds Procedure are mandated by the ESCP and included in the this assessment (FESA) to manage potential impacts. The technical advisory activities developed as part of the project could lead to downstream impacts on tangible and intangible cultural heritage. The project will perform environmental and social screening (see Annex 1) for these advisory activities and the Terms of Reference for undertaking the TA activities will include provisions for assessing the downstream impacts on cultural heritage
ESS 9: Financial Intermediaries	This ESS applies to Financial Intermediaries (FIs) that receive financial support from the Bank. FIs include public and private financial services providers, including national and regional development banks, which channel financial resources to a range of economic activities across industry sectors.	Not relevant to the Project
ESS10: Stakeholder Engagement and	Recognizes the importance of open and transparent engagement between the	A stakeholder engagement plan (SEP) covering each participating country, as set out in the SEF will be prepared to inform the project approach to

Information Disclosure	Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. ESS 10 applies to all projects supported by the Bank through Investment Project Financing. The Borrower will engage with stakeholders as an integral part of the project's environmental and social assessment and project design and implementation	engaging stakeholders throughout the project lifecycle to ensure transparency, inclusivity, and accountability. The SEP will identify and analyze key stakeholders, including project-affected parties and other interested groups. Moreover, the SEP will outline the process and modalities for sharing information about project activities, seeking and incorporating stakeholder feedback, and addressing concerns and grievances through a robust Grievance Redress Mechanism. The SEP will be prepared to cover each participating country

3.2. National requirements

The Project will be implemented in Fiji, Solomon Islands, Vanuatu, Tonga, Tuvalu, and Kiribati. Legal and regulatory framework pertaining environmental and social risk management in each participating country is applicable under this Project; which should include, but not limited to:

- Environmental Assessment, Review and Permitting
- Occupational, Health and Safety
- Land Acquisition and Lease Approvals
- Cultural Heritage
- Waste Management
- Labor Regulations

4. Potential Environmental and Social Risks and Mitigation

4.1. Key Environmental and Social Impacts and Risks

The Project's overall Environmental and Social (E&S) risk classification is ***Moderate***. The impacts are expected to be temporary, predictable, low to moderate in magnitude and readily managed through the implementation of risk management measures set out in this document. Minor civil works required to facilitate installation and storage of equipment and assets for custom and port authorities have the potential to generate E&S impacts as does procurement of the equipment and digital infrastructure investments.

The Accelerating Trade Facilitation in the Pacific Project will also result in positive impacts, particularly through digitalization customs initiatives. This includes (a) reduced greenhouse gas emissions, (b) reduced waste generation, (c) resource consumption related to trade processes, (d) ASYCUDA's role in streamlining trade processes helps reduce unnecessary delays in transportation, leading to lower emissions from vehicles, and (e) facilitates the smooth flow of goods, which can minimize idling time for ships and aircraft, thus reducing fuel consumption and emissions.

Key environmental and social impacts and risks are listed below:

- ***Occupational health and safety (OHS)***. The use and procurement of heavy vehicles for this project involve significant occupational health and safety risks, including falls from height, vehicle collisions, ergonomic hazards, chemical exposure, driver fatigue, and equipment failure. The Environmental and Social Code of Practice (ESCOP) addresses these issues through comprehensive safety protocols, regular risk assessments, clear operating procedures, and training requirements, all outlined in the POM and enforced during procurement and operation. Vehicle safety features specified in ESCOP, such as load monitoring systems, stability control, operator safety cabins, and anti-slip technology, are required in both bidding documents and supplier contracts. Operators must be trained and certified per relevant standards. Control measures include daily pre-operational checks, secure load handling, careful path planning, traffic management, mandatory PPE, fatigue management, and routine vehicle maintenance—all aimed at minimizing workplace hazards and ensuring compliance with ESCP provisions. The construction contractors will be exposed to OHS risks during civil works. Risks will arise from a range of hazards such as the use of hazardous materials, heavy machinery, movements of trucks, working at high, falling objects, exposure to toxic welding gases, chemicals, noise, emissions etc. ESCOP for managing the construction stage OHS risks are included in Annex 2 and shall be integrated into the contractor bidding documents as per the provisions in ESCP. Each participating country will develop project specific Labor Management Procedures (LMPs), addressing labor risks and compliance with ESS2. Contractors and subcontractors must also implement OHS measures and enforce worker Codes of Conduct.
- ***Resource efficiency and pollution prevention and management***. Key pollution risks include waste generation during construction and operations, end-of-life disposal of replaced equipment, and wastewater from washbay facilities. Managing hazardous waste is challenging due to the lack of suitable disposal facilities in many target countries, requiring strict adherence to ESS3, including chain of custody documentation and use of approved disposal sites. ESCOP (Annex 2) mandates mitigation hierarchy, supplier take-back of replaced equipment and hazardous waste, and integration of these practices into project operations and contracts. Wastewater from container washbays must be treated

to international and local standards, leveraging existing port facilities or installing compliant systems when needed. Civil works will be minor, with limited resource use, and extraction of materials from sensitive areas is prohibited. The project aims to reduce emissions, waste, and resource consumption, especially through digital customs initiatives. Preparatory studies will integrate E&S assessments and formal review processes to address future resource and pollution impacts.

- ***Community health and safety***. The project, situated within existing port facilities, is not expected to significantly affect local community health, safety, or security. Potential risks from transporting equipment and heavy vehicles will be managed through strict safety measures (ESCOP – Annex 2), including trained drivers, vehicle maintenance, and enforcement of traffic laws. Security arrangements will follow the International Ship and Port Security (ISPS) code, supplemented by assessments of security forces, training in proper conduct, and an established grievance mechanism to align with ESS4 standards. SEA/SH risks are moderate and will be managed through the measures described below.
- ***Biodiversity and cultural sites.*** The Project does not involve any new construction which could affect terrestrial biodiversity and / or cultural sites. However, given that communities of the participating countries rely on coastal and lagoon habitats for ecosystem services, increased discharge volumes of wastewater have the potential for minor impacts to biodiversity such as fish kills or damage to coral from sedimentation. The screening procedure (Chapter 5) will exclude activities that would lead to adverse impacts on natural habitats whether directly or indirectly. Any waste disposal site which would adversely affect natural habitats, or cultural sites would not be used under the Project.
- ***Downstream impacts.*** Implementation of the recommendations from the Technical Assistance (TA) activities financed by the project may result in downstream impacts. The downstream impacts include typical construction stage impacts to the ambient air, noise, water qulaity; community health and safety; Occupational Health and Safety (OHS) risks; use of finite resources and the associated impacts (e.g., for aggregate extraction), requirements for land, risks to surrounding communities human health and vulnerable groups, poor stakeholder engagement leading to opposition to the project etc. However, it is to be noted that the project will not finance the recommendations emanating from the technical studies

4.2. E&S Risk Management and Mitigation Measures

Table 3. Potential E&S Risks and Mitigation Measures

Subproject Typology	Risk & Impacts	E&S Risk Management / Mitigation Measures	Relevant ESSs
Component 1 ***Digitizing cross-border trade:*** ASYCUDA upgrade and enhancements (Customs) – NCS software, Procurement of NSW software and infrastructure (servers, telecom, offices, vehicles) ***Equipment for customs processing:*** Border clearance hardware (X-Ray scanners) and quality infrastructure for trade (testing equipment), container wash bays, weighing equipment, laboratory testing equipment for conducting sample test of cargos, Vessel traffic management system **Component 2** ***Equipment and systems for Port operations***: Aids to Navigation, VTS, Tugboat, Pilot Boat, Vessel Tracking System, Excavator,	❖ Packaging materials (cardboard, plastic, foam) are generated during the procurement and delivery of equipment ❖ Defective, broken or outdated equipment can generate significant waste when equipment is replaced or reaches the end of its useful life ❖ Electronic equipment (end-of-life electronics) can contain hazardous materials which require specific methods of end-of-life disposal to prevent environmental contamination ❖ Materials used in maintaining and repairing equipment, such as lubricants, cleaning agents, and parts can also contribute to waste. ❖ Energy consumption, waste generation, and the use of hazardous materials in testing may contribute to environmental footprint of laboratory operations. ❖ Increased traffic of larger vehicles (trucks, forklift, etc.) may raise safety concerns to community nearby, particularly for vulnerable road users like pedestrians and cyclists. The operation of these vehicles also presents occupational health and safety risks for operators who are not adequately trained. ❖ Operational of Tugboat procured under the Project may have potential impacts on vessel OHS ❖ Operational of container wash bays will generate wastewater. Untreated wash water containing sediment, detergents, oils, and other contaminants can harm aquatic	✓ Procurement of goods has been screened and included in this document. Risk management approach is presented in Chapter 5 and Annex 2 (ESCOP). OHS considerations need to be incorporated into procurement process. ✓ ESCOP will be incorporated into the bidding documents (reflected in the ESCP). Failure to adhere to contract provisions constitutes a breach of contractual obligations. The contracts will outline penalties for non-compliance with environmental and social risk management measures (such as ESCOP, SEP, and Codes of Conduct, etc.). ✓ Prioritize suppliers who use minimal and / or recyclable packaging or utilizing reusable packaging system. ✓ Implement robust maintenance and repair programs to extend / prolong the operational life of equipment, reducing the need for frequent replacements. ✓ Establish procedures for the collection, sorting, and recycling of waste materials, including equipment components. Partner with licensed waste disposal companies for hazardous materials. Ensure compliance with all relevant national waste management regulations, including those related to hazardous waste disposal. ✓ If practical, enter an agreement to return defective/broken/outdated equipment to the manufacturer at end-of-life. ✓ Proper maintenance and calibration of lab equipment to maximize lifespan and reduce the need for replacement. ✓ Conduct training and awareness for lab staffs and operators on sustainable laboratory practices.	ESS1 ESS2 ESS3 ESS4

Subproject Typology	Risk & Impacts	E&S Risk Management / Mitigation Measures	Relevant ESSs
Security/Safety Patrol Boat, Floodlighting, Yard Sweeper, Rubbish Trucks, Skip Bins, Terminal Operation System, Forklift 10 tons, Forklift Reach stackers, Container Truck, Navigation Lights, 4WD to fix navigation lights in hills	life and contaminate soil and groundwater if released into the environment. ❖ Lack of training in equipment use and maintenance and/or continuity of skilled staff leads to unsafe use and work practices, neglect of or damage to equipment, disruptions to customs and border management systems and processes, and poor value for money of underutilised assets.	✓ Apply safety measures for all heavy vehicle operations: ensuring drivers are properly trained and licensed to operate heavy vehicles, ensure heavy vehicles are well-maintained and regularly inspected which can reduce the risk of mechanical failures that lead to accidents, and strict enforcement of speed limits and other traffic regulations. ✓ The design of the tugboat should prioritize safety by including features such as: (a) sufficient stability and seakeeping capabilities to ensure the vessel can endure diverse weather conditions and maintain a secure operating environment, (b) safe and unobstructed pathways for workers, particularly when accessing the deck or engine room, (c) effective ventilation and lighting for proper airflow and visibility throughout the vessel, and (d) secure fixtures and towing gear. During operations, the vessel should implement (a) well-defined and rehearsed emergency protocols for various situations (like fire, flooding, or man overboard), (b) comprehensive training for all personnel to ensure safe and competent operation of the tugboat, (c) routine maintenance and safety checks, and (d) access to personal protective equipment (PPE). ✓ Effective management, including proper wastewater treatment, containment, and disposal, is crucial to mitigate risks related to the operational of container wash bays. Ports with own wastewater treatment facility needs to follow MARPOL requirements. In case where such a facility is nonexistent, detailed measures set out in ESCOP (Annex 2) is applicable. ✓ aggregate extraction sites should have all required permits and approvals from the relevant authorities ✓ TA for procurement advisory includes requirements for sustainable training and retaining necessary capability. TA for capacity building on the operation and maintenance of equipment and assets to relevant authorities includes measures for redundancy in skills within authorities, and medium to long term skills retention plans, e.g. ongoing refresher training and professional development pathways.	

Subproject Typology	Risk & Impacts	E&S Risk Management / Mitigation Measures	Relevant ESSs
Component 1 Export readiness capacity building for firms and vocational skills training for individuals: - Training for both existing and potential exporting businesses to boost knowledge of trade facilitation requirements, export market access regulations, and resources to help them become exporters - Technical and vocational skills training for individuals related to the equipment procured through the Project **Component 2:** Preparatory works for larger physical investments to expand the physical capacity of wharfs and ports.	❖ Technical Assistance (TA) activities may result in downstream impacts from future development, construction activities, and civil works. ❖ Project activities related to training, capacity building, and workshops include SEA/SH incidents during capacity building activities, both in training sessions and on online platforms, and waste generation from ❖ Risk of exclusion: Inadequate stakeholder engagement and lack of transparency in information disclosure. Iimpacts on vulnerable groups throughout project activities. ❖ Labor-related risks such as failing to provide fair, safe, and healthy working conditions for project workers	✓ Technical studies and reviews: TORs for studies will be reviewed and cleared by PMU, IA E&S Focal Point and the Bank to ensure compliance ESF, and relevant national regulation. The ToR will include the scope of relevant E&S assessment to be undertaken as part of the preparatory studies. Screening included in Annex 1 will define the scope of the E&S assessment to be undertaken based on the extent of downstream impacts. ✓ TORs for upstream feasibility and assessment work for future marine investments shall stipulate the need to identify land requirements with scope to avoid displacement through design. ✓ Ensure effective stakeholder engagement processes is in place, with a focus on removing barriers to access for all (especially vulnerable and diverse groups including women, people with disabilities, elderly and youth). This processes should be outlined in the country-level Stakeholder Engagement Plan (SEP) following requirement and provisions in the Stakeholder Engagement Framework (SEF) prepared for the Project. ✓ The Project will develop and enforce strict Codes of Conduct for all project workers prohibiting SEA/SH, incorporate SEA/SH clauses into all contracts, mandate SEA/SH training for project personnel, establish accessible and survivor-centred grievance mechanisms for affected communities and workers, conduct locally tailored awareness campaigns on SEA/SH risks and reporting, and monitor implementation through indicators such as CoC signings, incident reporting and resolution, and training delivery ✓ Provide workers with information and documentation that is clear and understandable regarding their terms and conditions of employment through written contracts setting out their rights, including, inter alia, rights related to hours of work, wages, overtime, compensation and benefits, as well as written notice of termination of employment, and details of severance payments, as applicable.	ESS2 ESS10

Subproject Typology	Risk & Impacts	E&S Risk Management / Mitigation Measures	Relevant ESSs
		✓ Implement measures, as applicable, to, inter alia: (a) prevent the use of all forms of forced labor and child labor; and (a) enable workers to benefit from access to grievance and redress mechanisms without fear of retaliation. ✓ Incorporate the relevant requirements above in the contracts with third parties that engage workers in the implementation of the Activities.	
Civil Works **Component 1** Small-scale facilitating civil works for equipment, including construction / renovation of storage sheds, drainage infrastructure for wash bays, installation of equipment	❖ The Project may require small scale land use or access, but this will be within the footprint of existing customs or border control facilities that are already located on government owned or leased land. No additional land is expected to be required for this project. ❖ Occupational health and safety (OHS) hazards - Lack of relevant Personal Protective Equipment (PPE) will increase the risk of workers exposure to construction hazards - Risk of accidents from being struck of machinery or moving equipment - Exposed or faulty electrical devices such as cables, cords, hand tools, can pose a serious risk to workers - Inadequate emergency treatment for the injured workers ❖ Generation of construction waste, dust, noise pollution, and potential for hazardous materials. Pollution may arise from mishandling or inappropriate disposal of oils, cement, plastic waste and other types of solid waste. ❖ Construction and civil works are expected to be completed on previously disturbed land so will have no material impacts on terrestrial biodiversity. However, given that communities of the participating countries rely on coastal and lagoon habitats for ecosystem services, increased discharge volumes of wastewater have the potential for	✓ Only land within the footprint of existing facilities already on government owned or leased land will be used for small scale infrastructure or civil works ✓ OHS: - Contractor shall provide relevant PPE for all workers based on the work requirements. - Workers shall maintain the PPE properly and replacing them with the damaged ones. - Flagman or flag operators will be provided to each moving equipment operator to guide the movement of equipment. The operators will be provided with relevant safety equipment and training by the contractor. - Contractor shall check all electrical cords, cables and hand power tools for frayed or exposed cords, shall mark all energized electrical devices and lines with warning signs, and conduct isolation procedure for electrical work. - Contractor to provide the following medical facilities for the construction workers: A first aid centre within the construction site equipped with medicines and other basic facilities, first aid kits are adequately stocked, and identify and train adequate number of workers to provide first aid during medical emergencies. ✓ Pollution prevention: - PMU is to ensure that Contractor is in compliance with relevant national legislation and EHSG requirements with respect to ambient air quality, noise and wastewater throughout the project implementation. - Dispose of waste at designated place identified and approved by	ESS2 ESS3 ESS4 ESS5 ESS6

Subproject Typology	Risk & Impacts	E&S Risk Management / Mitigation Measures	Relevant ESSs
	minor impacts to biodiversity such as fish kills or damage to coral from sedimentation. ❖ Presence of project workers may introduce the risk of SEA/SH in the workplace or via interactions with the community.	local authority. Open burning or burial of solid waste shall not be allowed. It is prohibited for the contractor(s) to dispose of any debris or construction material/paint in environmentally and culturally sensitive areas (including watercourse, natural habitats and cultural sites). ✓ Apply screening procedure to exclude activities that would lead to adverse impacts on natural habitats. Any waste disposal site which would adversely affect natural habitats, or cultural sites would not be used under the Project. ✓ (see SEA/SH measures above under consulting services)	

5. Procedures to Address Environmental and Social Issues

Section 2.1 provides a list of activities for project financing that have been pre-screened for this assessment. Should any new activities or subprojects arise during the implementation phase, the Focused E&S Assessment tool/instrument will require updates to accommodate those changes.

For TA-related activities that will be specified during the project implementation stage, an Environmental and Social (E&S) screening process will be utilized, as set out in Section 5.1 below. The overarching principle is that the advice provided through Bank-financed TA should be grounded in a thorough understanding of its potential environmental and social ramifications and should include recommendations for addressing potential impacts that are consistent with ESSs 1-10.

5.1. E&S Screening Procedure for TA Activities

This section describes steps that Project Management Units (PMUs) and relevant IAs of participating countries will use to screen for E&S risks and potential impacts associated with technical assistance (TA) related activities proposed to be funded under the Project.

The purpose of E&S screening, specific for TA Activities, is to:

a) ensure only TA activities that meet pre-defined criteria are considered for financing. The pre-defined criteria aim to avoid financing activities that could lead to significant adverse social and environmental impacts, or pose substantial or high risks to the environment and people; and
b) identify E&S instruments and/or tools to be applied.

Environmental and Social Screening Procedure will be conducted using the following steps:

Step 1. Eligibility Screening.

- ✓ All proposed TA activities will be screened *vis-à-vis* the Negative List set out in Table 4 below. Only TA activities that pass all criteria in the Negative List are advance to the next steps.

Step 2. E&S Technical Screening.

- ✓ TA activities that pass Eligibility Screening will undergo Technical Screening which covers screening for E&S risks and impacts. The objective of the technical screening is to define the Terms of reference on the E&S assessment to be undertaken as part of the preparatory studies.
- ✓ Complete Screening Form presented in Annex 1. The Form is self-explanatory with guidance notes for easy reference and completion.

Table 4. Negative list

TA activities (including preparatory studies) that may result in the development and implementation of downstream subprojects which could have the following reasonably foreseeable indirect impact[5]:
a) Cause substantial negative effects on critical habitats, located in legally protected areas and internationally recognized sites (as per ESS6 para 26), AZE sites, UNESCO Natural and Mixed World Heritage Sites; and/or
b) Result in the involuntary taking of land, for example through recourse to eminent domain and/or physical displacement and resettlement of households with either formal or informal tenure.
c) Cause impacts on land and natural resources subject to traditional ownership or under customary use or requires relocation of Indigenous Peoples from lands and natural resources subject to traditional ownership or under customary use from project financing
d) Cause loss of, or damage of any degree to cultural properties, such as archaeological sites of high historical, religious, cultural, and natural values if not possible to mitigate.

5.2. E&S Risk Management Instruments and Tools

The subsequent instruments and tools will be employed for the activities/investments financed by the project:

Environmental and Social Code of Practice (ESCOP). These are basic technical guidelines that inform E&S implementers about practical mitigation actions and measures to be used during activity implementation to avoid, minimize, and mitigate negative environmental and social impacts. The ESCOP is designed to be embedded into the Project Operational Manual and relevant standard operating procedure (SOP) applicable for the Project operations. This ESCOP is presented in Annex 2.

Stakeholder Engagement Framework (SEF). This (stand-alone) instrument is a roadmap and part of an iterative process in communicating with stakeholders, laying down the path of how the Project will interact with stakeholders, external and internal alike. This SEF is the starting point of an iterative and is complemented by a more comprehensive stakeholder engagement plan relevant to each participating country (i.e. Stakeholder Engagement Plan or SEP). The framework will allow uptake of Stakeholders concerns and problems during the project planning stage and provide guidance on how to develop a fully functional Grievance Redress Mechanism (GRM).

Stakeholder Engagement Plan (SEP). A SEP covering each participating country will prepared as part of the Project Operations Manual (POM). The SEP outlines a structured approach for community outreach and two-way engagement with stakeholders, in appropriate languages, and adopting measures to include vulnerable and disadvantaged groups (poor, disabled, elderly, isolated communities), and will be based upon meaningful consultation and disclosure

[5] *An **indirect impact** is an impact which is caused by the project and is later in time or farther removed in distance than a direct impact, but is still reasonably foreseeable, and will not include induced impacts.*

of appropriate information. The SEP will define, at a country-level, all stakeholders, consultation measures, engagement program and grievance mechanisms relevant to each country.

Labor Management Procedure (LMP). Labor Management Procedures relevant to each country will indicate details of adequate labor and working conditions including, but not limited to: overview of labor requirements, national laws and ESS2 requirements, fair terms and condition of employment, non-discrimination, OHS, rights relating to workers organizations, protections for vulnerable workers, and restrictions on child and forced labor, and access to a grievance mechanism.

Workers Code of Conduct (CoC) (to be incorporated into workers contracts). Workers contracts will include a of Conduct (CoC) outlining terms and conditions of employment, nondiscrimination and equal opportunity (which includes a safe work environment free from violence and sexual harassment) and protections for vulnerable workers, rights to form and join workers' organizations, restrictions on child and forced labor, and Occupational Health and Safety, and access to a workers' grievance mechanism. A sample of CoC is presented in Annex 3.

5.3. Screening: E&S Risk Management Approach

Using information from the Project Appraisal Document (PAD) and the draft Procurement Plan (PP), a list of potential subprojects and activities has been compiled. This preliminary list, summarized in Table 1, has undergone a screening process to verify eligibility and determine strategies for managing environmental and social (E&S) risks and mitigating impacts. Additionally, this pre-screening has identified potential E&S instruments and tools that will be utilized during the implementation of the project, according to the types of subprojects.

Table 5. Subprojects Screening

Subproject Typology	E&S Risk Management Approach	E&S Instruments/Tools
Component 1 ***Digitizing cross-border trade:*** ASYCUDA upgrade and enhancements (Customs) – NCS software, Procurement of NSW software and infrastructure (servers, telecom, offices, vehicles) ***Equipment for customs processing:*** Border clearance hardware (X-Ray scanners) and quality infrastructure for trade (testing equipment), container wash bays, weighing equipment, laboratory testing equipment for conducting sample test of cargos, Vessel traffic management system **Component 2** ***Equipment and systems for Port operations***: Aids to Navigation, VTS, Tugboat, Pilot Boat, Vessel Tracking System, Excavator, Security/Safety Patrol Boat, Floodlighting, Yard Sweeper,	Pre-screened	✓ Focused E&S Assessment - Table 3 Mitigation Measures (Chapter 4) ✓ Implement country-level SEP ✓ Adopt relevant ESCOP (such as OHS considerations for procurement of heavy vehicles, and risk management for wash bay facility)

Rubbish Trucks, Skip Bins, Terminal Operation System, Forklift 10 tons, Forklift Reach stackers, Container Truck, Navigation Lights, 4WD to fix navigation lights in hills		
Component 1 Export readiness capacity building for firms and vocational skills training for individuals: - Training for both existing and potential exporting businesses to boost knowledge of trade facilitation requirements, export market access regulations, and resources to help them become exporters - Technical and vocational skills training for individuals related to the equipment procured through the Project **Component 2:** Preparatory works for larger physical investments to expand the physical capacity of wharfs and ports.	1. Preparatory studies: Apply Screening Procedure for TA activities (Section 5.1). ToR for E&S assessments to be included in the preparatory studies to be reviewed and cleared by Bank 2. Trainings and Capacity Building will include screening process and appropriate mitigation measures. At the Project implementation, TORs for this type of activity will be reviewed by the World Bank E&S Specialists to ensure consistency with ESF. 3. TORs for E&S specialists for PMU to be reviewed by the World Bank E&S Specialists to ensure consistency with ESF.	✓ Focused E&S Assessment - Table 3 Mitigation Measures (Chapter 4) ✓ Workers Code of Conduct (Annex 3) ✓ Implement country-level SEP
Civil Works **Component 1** Small-scale facilitating civil works for equipment**,** including construction / renovation of storage sheds, drainage infrastructure for wash bays, installation of equipment	Pre-screened	✓ Focused E&S Assessment - Table 3 Mitigation Measures (Chapter 4) ✓ Workers Code of Conduct (Annex 3) ✓ Adopt ESCOP (Annex 2) ✓ Implement country-level SEP

5.4. Monitoring and Reporting

PMU (E&S Focal Point) will regularly monitor the implementation of E&S risk management instruments/tools and prepare regular reports using the template provided in Annex 4. The reporting requirements will be included as part of the Project Operations Manual (POM). At a minimum, the reporting will include the following (among others):

a) The overall implementation of E&S risk management instruments/tools.

b) Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan (SEP).

c) Any environmental or social issues arising as a result of project works and how these issues will be remedied or mitigated.

d) E&S performance of contractors for minor civil works.

e) Community consultation updates.

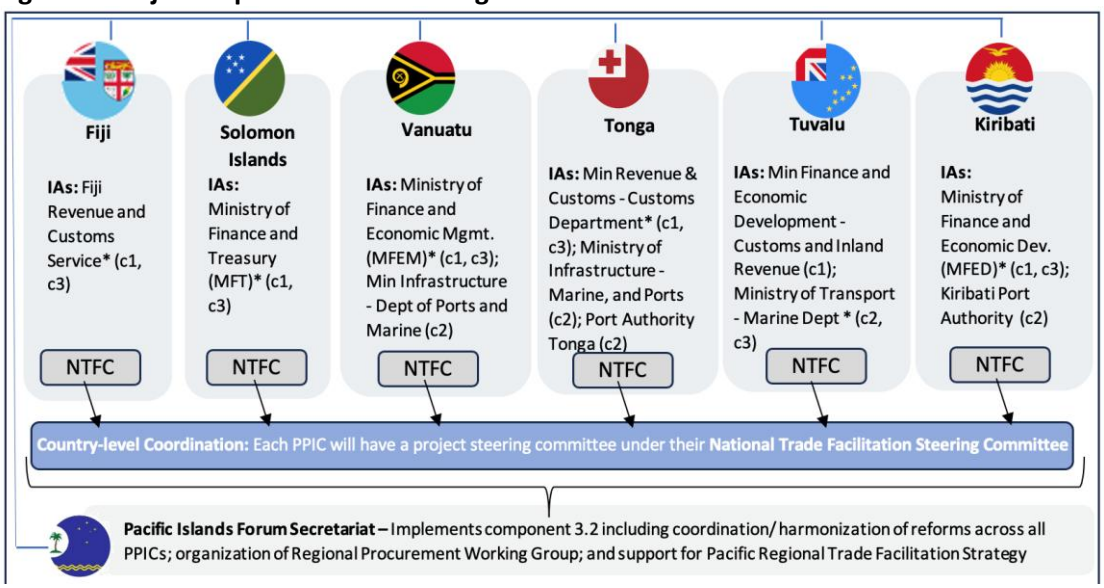
f) Summary of any incidents or complaints received, actions taken and complaints closed out.

6. Institutional and ES Implementation Arrangements

6.1. Institutional and Implementation Arrangement

The project will be implemented independently in each of the six countries and in PIF by PMUs established in each**.** The specific implementation arrangements will vary slightly among the six countries depending on the components being implemented and the structure of the government, but the approach will rely on the national customs administration to implement Component 1 and the government agency responsible for ports (typically a department under a Ministry of Transportation or Infrastructure) to implement Component 2. Each country will further establish a single PMU that will be responsible for overall project management and compliance with safeguard requirements in close coordination with customs and ports authorities. This PMU will be established in one of the same line ministries or agencies implementing the project. Port Authority Tonga, Kiribati Ports Authority, and Fiji Revenue and Customs Service are independent legal agencies.

Figure 1. Project Implementation Arrangements



Country level PMUs will be critical to project implementation and to addressing risks related to capacity constraints on environmental and social safeguards. The project has 12 Implementing Agencies across the seven recipients, 11 of which have existing ASA or lending relationships with the World Bank. While the technical capabilities across these agencies to implement the project are strong, most IAs have no previous experience with WB safeguards compliance. As a result, the project will support the establishment of one PMU in each recipient to centralize all recipient-level safeguards roles. The PMU will be placed in one of the project's implementing agencies with specialists funded by the project to provide for a minimum of project management, financial management, procurement, and safeguards roles. The option of third-party implementation was explored but recipients unanimously favored building country experience in project management.

The project will utilize existing implementation support resources at the country level wherever possible. These resources include: (i) Shared Services Units: Three of the recipients – Kiribati, Tonga, and Tuvalu – have shared services units that have been established to support implementation of World Bank Projects. Some of these shared services units can perform some roles on behalf of the project, while others serve to advise and build capacity

in project-level PMUs. (ii) Existing PMUs: The project has explored using existing PMU capacity wherever available. In several countries there are existing WB projects with highly rated PMU specialists who can either move to the project's PMU, or cover the project's needs from their current PMU. (iii) A country level HEIS is in place in the Solomon Islands and other countries are interested in following suit.

Table 6. Country level PMUs and Capacities

Country	PMU	Existing capabilities	Initial positions to be recruited
Fiji	Fiji Revenue and Customs Service	New IA with strong accounting experience but will require training on WB reporting and compliance.	(i) project coordinator; (ii) procurement officer; (iii) **safeguards specialist**
Kiribati	Min Finance and Economic Development	KFSU will provide the financial management, procurement, and **safeguards roles** for the project. The project may supplement these resources as needed.	(i) project manager
PIF	PIF	An existing PMU will cover FM needs for the project; procurement may be covered by this PMU in the future but the position is currently vacant	(i) project manager; (ii) **E&S officer (a combined role with deputy project manager**); procurement officer
Solomon Islands	Min Finance and Treasury	There is an existing PMU with excess FM capabilities that could be utilized by the project. There is also a country-level HEIS to help build procurement capacity.	(i) project manager; (ii) procurement officer; (iii) **safeguards specialist**
Tonga	Min Revenue and Customs	CSU can cover **safeguards** and there is a CSU officer who could potentially move to the project PMU to handle FM. The CSU also has a strong procurement officer who will either support procurement from the CSU or move to the project.	(i) project manager; (ii) FM and Procurement TBD (direct selection, covered from CSU, or competitive recruitment)
Tuvalu	Min Transport	There is a strong existing PMU under the Ministry of Public Works that may support the project with project management and procurement expertise.	(i) project management; (ii) finance manager; (iii) **safeguards specialist**

		The CPMO will also support procurement.	
Vanuatu	Min Finance and Economic Management	A project PMU has already been established with strong accounting experience and a project manager. Accounting team requires training for WB FM.	(i) procurement officer; (ii) safeguards specialist; (iii) deputy project manager

6.2. Institutional and Capacity for E&S Risk Management

Each participating PMUs will have an E&S Safeguards Specialist. The E&S Safeguards Specialist will provide support to the E&S Focal Point at each Implementing Agency (one E&S Focal Point for Customs, and one E&S Focal Point for Ports). These E&S resources (E&S (safeguards[6]) Specialist and E&S Focal Point) are tasked for the management of environment, social, health and safety (ESHS) risks and impacts of the Project.

PMU-E&S Safeguards Specialist will be responsible for, inter alia:

- Prepare Stakeholder Engagement Plan (SEP) content relevant to their country, following the requirements set out in the the Stakeholder Engagement Framework (SEF).
- Provide technical support in monitoring the implementation of E&S instruments/tools (ESCOP, SEP, etc.) on a day-to-day basis.
- Document/record the implementation of E&S instruments/tools applicable for the Project.
- Prepare and submit regular monitoring reports on the ESHS performance of the Project.
- Ensure any E&S national requirements (e.g., environmental license, water permit, etc.) – applicable for the project – are well prepared, submitted and approved.
- Monitors and manages of complaints / incidents logged via the GRM system.
- Prepare and implement a capacity building plan that includes training activities for Project workers as required in the Project's Environmental and Social Commitment Plan (ESCP).
- Draft TOR for the E&S Focal Points in the IA, support identification of/recruitment of the E&S Focal Point, provide capacity building and training, and thereafter support and provide technical oversight to those Focal Points to ensure all Project E&S requirements are met.

Outline of the Terms of Reference is presented in Annex 6.

Civil Work Contractor(s) will be required to comply with the Project's E&S risk management plans and procedures and the national E&S regulations. This provision will be specified in the contractor's agreements. Contractor(s) will be expected to disseminate and create awareness within their workforce of environmental and social risk management compliance and undertake any staff training necessary for their effective implementation. Where contractors

[6] Referenced as 'safeguards' in the PAD in selected locations

do not have existing environmental staff, the PMU E&S Officer/Focal Point will make arrangements for adequate capacity building within the contractor's workforce.

Contractor(s) will also be required take all necessary precautions to maintain the health and safety of their personnel. The contractor(s) will appoint a Health and Safety Officer (OHS) at site, who will have the authority to issue directives for the purpose of maintaining the health and safety of all personnel authorized to enter and or work on the site, to take protective measures to prevent accidents, to ensure suitable arrangements are made for all necessary welfare and hygiene requirements. Contractors will be briefed on the Grievance Redress Mechanism (GRM) and are required to follow guidance as set out in the workers GRM.

6.3. Capacity Building

Successful implementation of the Project will depend among others on the effective implementation of the environmental and social risk management measures outlined in the this Assessment, including the Environmental and Social Code of Practice (ESCOP). Training and capacity building will be necessary for key stakeholders in order to ensure effective implementation of the E&S risk management instruments/tools.

It is anticipated that the provisions for labor and working conditions risk management in line with ESS2 will be unfamiliar to construction contractors working for the Project. Therefore, in addition to imposing compliance with these standards as a contract condition, it is proposed that works contractors' management and supervisory staff will be required to undertake short courses on safe working practices.

An initial training and capacity building is listed below. The E&S Focal Point (PMU) will finalize the list once list of subprojects are fully determined.

Table 7. Initial Training and Capacity Building List

Training Topics / Themes	Trainees	Trainer / Resources
The World Bank Environmental and Social Framework (ESF) policy – with focus on the E&S Standards that are relevant to the Project	PMU E&S Officer/Focal Point	WB E&S Specialists
Project's E&S Risk Management Approach: a) Basic principles and tools of E&S risk management for activities under the Project b) Identification of E&S risks and apply risk management measures, and c) E&S monitoring and reporting	PMU E&S Officer/Focal Point	WB E&S Specialists
Application of workers contract include: ESCOP, Code of Conduct, incident investigation, PPE, SEA/SH	PMU E&S Officer/Focal Point Relevant IAs Contractors	WB E&S Specialists (initially to PMU); Then PMU E&S Officer/Focal Point train Contractors, and other relevant stakeholders
Application of tools and methods for stakeholder engagement	Relevant IAs Contractors	PMU E&S Officer/Focal Point
Operationalization of Grievance Redress Mechanism (GRM)	Relevant IAs Contractors	PMU E&S Officer/Focal Point

Annex 1. E&S Screening Form for TA Activities

Introduction:

The Project's E&S Screening procedure comprises of two steps-process: (1) Initial screening by using the Negative List; and (2) Screening to identify approach and define the ToR of the E&S risk assessment and management to be included in the preparatory studies. This Screening Form is to be used only for ***Step 2*** of the screening procedure.

Screening Form:

1. TA activities detail:

Name	
Location	

2. Environmental and Social Screening Questionnaires

Questions:	Answer		Next Steps
	Yes	No	
ESS1			
1. Could the TA activity, which might lead to the development and implementation of subprojects, include new construction or major civil works?			If "Yes": PMU to ensure that the preparatory studies include an Environmental and Social Impact If "No": Proceed to next question
2. Could the TA activity, which might lead to the development and implementation of subprojects, involve small-scale civil works including renovation of existing buildings, upgrading or rehabilitation of public infrastructure?			If "Yes": PMU to ensure that the preparatory studies include limited assessment on potential environmental and social impacts and risks, and measures to avoid, mitigate, and manage identified risks and impacts If "No": Proceed to next question
ESS2			
3. Could the TA activity, which might lead to the development and implementation of subprojects, involve recruitment of workforce including direct, contracted, primary supply, and/or community workers?			If "Yes": PMU to ensure that the preparatory studies include assessment on labor and working conditions as set out in the SEP and LMP If "No": Proceed to next question
4. Could the TA activity, which might lead to the development and implementation of subprojects, pose any risks or have effects on individuals or groups who may be disadvantaged or vulnerable due to their specific circumstances?[7]			If "Yes": PMU to ensure that the ToR of preparatory studies include (a) requires the identification of groups or individuals affected by the project that may be disadvantaged or vulnerable; and (b) requires an assessment of project risks and impacts, and identification of differentiated mitigation measures, as they pertain to the disadvantaged or vulnerable individuals or groups that are identified.

[7] "Disadvantaged or vulnerable" refers to those individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or ethnic peoples status, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits.

			If “No”: Proceed to next question
ESS3			
5. Will the TA activity, potentially resulting in subprojects, produce solid or liquid waste that could negatively affect soils, plants, rivers, streams, or groundwater?			If “Yes”: PMU to ensure that the ToR of preparatory studies include assessment on potential environmental impacts and risks related to solid and liquid wastes. If “No”: Proceed to next question
6. Will the TA activity, which may lead to subprojects, likely have substantial adverse effects on air and/or water quality?			If “Yes”: PMU to ensure that the ToR for preparatory studies include primary baseline collection commensurate with the impacts and assessment on potential environmental impacts and risks related to air and/or water quality. If “No”: Proceed to next question
ESS4			
7. Will the TA activity, which could result in subprojects, pose a risk of an increase in SEA/SH due to the project's activities?			If “Yes”: PMU to ensure that the ToR for preparatory studies include assessment on potential community health and safety, and incorporate provisions as set out in the SEP and Workers Code of Conduct If “No”: Proceed to next question
ESS5			
8. Could the TA activity, potentially leading to the creation and execution of subprojects, result in the forced acquisition of land or assets?			If “Yes”: Exclude from project If “No”: Proceed to next question
ESS6			
9. Will the TA activity, potentially resulting in subprojects, involve the conversion or degradation of critical habitats?			If “Yes”: Exclude from project If “No”: Proceed to next question
10. Will the TA activity, potentially resulting in subprojects, will impact biodiversity values and ecosystem services?			If “Yes”: PMU will make sure that the ToR for preparatory studies incorporate comprehensive biodiversity assessment to be undertaken and defining the survey (timing and effort) for conservation significant species. If “No”: Proceed to next question
ESS7			
11. Will the TA activity, potentially resulting in subprojects, have impacts on Indigenous People(s)?			If “Yes”: PMU will ensure that the ToR for preparatory studies take into account assessment of possible effects on Indigenous People(s). If “No”: Proceed to next question
ESS8			
11. Will the TA activity, potentially resulting in subprojects, be located within or adjacent to a sensitive site (historical or archaeological or culturally significant site) or facility?			If “Yes”: PMU will make certain that the ToR for preparatory studies take into account evaluations of possible effects on cultural heritage. If “No”: Proceed to next question
12. Will the TA activity, potentially resulting in subprojects be located near buildings, sacred trees or objects having spiritual values to local communities (e.g. memorials, graves or stones) or require excavation near there?			If “Yes”: PMU will make certain that the preparatory studies take into account evaluations of possible effects on cultural heritage. If “No”: Proceed to next question

“disadvantaged or vulnerable” refers to those individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic

disadvantages or ethnic peoples status, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits.

3. Conclusion

Based on the result from the screening above, please list the E&S risk management instruments/tools to be prepared / adopt and implemented:

Annex 2. Environmental and Social Code of Practice (ESCOP)

Part I: Prior to Start Works / Construction

1. General:

1.1. All relevant permits and certificates required by national law must be obtained and copies held by the Contractor ***prior*** to any works commencing (e.g. Environment Permits etc.).

2. Community Consultation

2.1. Contractor to undertake joint contractor and community consultation (induction) at least 7 days in advance of start of physical works with each affected community. Community consultation will include:

- Confirmation of any site constraints and community requirements such as limits to access, timing of works;
- Information including scope of works and work program;
- Details of the GRM and how to lodge a grievance.

2.2. Erect signs at each end of work site with construction information and Contractor contact details including contact phone numbers.

3. Temporary Occupation of Land Arrangements

3.1. Prior to construction, the Contractor shall secure written landowner consent for any temporary storage of materials and equipment or other use.

3.2. Prior to use of land or facilities, the Contractor will undertake a pre-construction condition survey to document existing conditions.

3.3. If construction materials (e.g. aggregates, sands, etc.) are needed, the project will ensure that aggregate extraction sites should have all required permits and approvals from the relevant authorities..

4. Public Health and Safety, Nuisance

4.1. All work, storage and other sites to be suitably marked and where appropriate fenced prior to works starting.

4.2. Signage erected at all active work sites.

4.3. Where access is temporarily affected, the Contractor shall notify the affected parties of the disruption at least 7 days prior.

5. Workers Health and Safety

5.1. Complete different levels of risk assessment, i.e. from whole Job Safety Analysis down to the personal level, to identify any potential hazards, rank the risks, and identify ways to eliminate, control or minimize the hazards. Develop and follow a site-specific health and safety (H&S) management plan that is compliant with the World Bank Environment and Health and Safety Guidelines (EHSGs). H&S

management plan(s) must be submitted to the PMU E&S Specialists for approval prior to any physical works commencing;

5.2. Appoint a health and safety officer at site, who will have the authority to issue directives for the purpose of maintaining the health and safety of all personnel authorized to enter and or work on the site;

5.3. Provide induction training and be issued with personal protective equipment (PPE) prior to starting work, including the preparation of and establishment of all work and other sites.

5.4. Comply with all national and good practice regulations and GIIP regarding workers' safety, such as OHS section of the World Bank Environmental and Health and Safety Guidelines (EHSGs) on Construction and Decommissioning.

5.5. Assign a health and safety officer at site, who will have the authority to issue directives for the purpose of maintaining the health and safety of all personnel authorized to enter and / or work on the site.

5.6. Undertake training of staff to meet standards for the proper operation and use of equipment;

5.7. Training of workers in lifting and materials handling techniques in renovation / refurbishing projects, including the placement of weight limits above which mechanical assists or two-person lifts are necessary;

5.8. Training and use of temporary fall prevention devices, such as rails or other barriers able to support a weight of 200 pounds, when working at heights equal or greater than two meters (e.g. on scaffolding);

5.9. Provide project workers with accessible means to raise workplace concerns

5.10. Record next of kin and emergency contact details for all workforce members.

5.11. Follow the requirements of legislation including Employment and public health.

5.12. Ensure that Employees are informed of their rights.

5.13. Not use child labor.

5.14. Not discriminate based on gender, race, age, employment or occupation.

5.15. Not use trafficked or forced labor.

5.10. Set up record keeping and document management system for ESHS risk management including all community meetings, compliance and non-compliance, records and performance requirements.

Part II: During Construction Works

1. Vegetation – clearance and removal, erosion protection

1.1. Vegetation clearance will be kept to a minimum and sediment and erosion control measures put in place immediately.

1.2. No earth works shall be undertaken during periods of heavy rainfall.

1.3. All cleared ground shall have temporary erosion control measures in place.

1.4. Areas of exposed soil shall be minimized and grass-seeded and/or re-vegetated and stabilized after completion of earthworks.

1.5. Topsoil and cleared vegetation shall be mulched and stockpiled for later re-use.

1.6. All materials storage or stockpiles, temporary or for the project duration shall have temporary runoff / sediment control structures in place. Drainage at all works sites will be designed and constructed to ensure no damage to land or property from ongoing discharges.

1.7. All imported machinery and construction materials shall be thoroughly checked to prevent any transportation of invasive or alien species (plant, insect or animal such as snakes, rats or mice) to the island.

1.8. Prior to demobilization at end of construction works, all construction vehicles shall be thoroughly cleaned and washed to remove soil and vegetative materials. Particular attention shall be paid to wheel arches and undercarriage of vehicles and machinery.

2. Site Management

2.1. Waste management separation and dedicated waste storage areas required at all work sites.

2.2. Waste management will meet all legislated requirements and for materials that cannot be disposed of locally segregated and store for removal from the island and disposed of at designated landfill.

2.3. Burning of any plastics or general rubbish is prohibited.

2.4. Fuels and other chemicals shall be contained in fully covered bunds of a size that can contain at least 110% of the volume of the largest container.

2.5. All work sites to be kept tidy, waste materials suitably sorted, grass cut etc. at all times.

2.6. Pollution control materials (spill kits) to be prepared and available at any water courses, coastal areas or fuel and chemical storage area.

2.7. Dust suppression equipment to be available for all sites.

3. Public Health and Safety, Nuisance

3.1. Vehicular and pedestrian access along the road and to adjacent properties is maintained throughout construction except for essential works.

3.2. Signage and barriers in place at all sites.

3.3. Construction activities shall be limited to daylight hours Monday through Saturday or as agreed directly with surrounding community and chiefs.

3.4. No construction between 1800 and 0700 or on Sundays or public holidays and the times agreed with surrounding communities.

3.5. Dust:

- Masks must be available for workers during dust generating activities
- Manage speed of transportation of vehicles on unsealed roads, particularly when passing through settlement.
- Use closed/covered vehicles for transportation of construction materials
- Any vehicle which is overloaded (exceed designed load limit) or is not covered properly shall be refused entry to the construction sites or material shall be refused delivery (if not to the construction sites).
- Identify and locate waste storage sites, stockpile sites and equipment at least 100m away from any residential settlements, water bodies, streams or rivers, to minimize impacts on the environment and nearby population.
- Ensure all equipment is serviced and issued with warrant of fitness (as required). Any machinery deemed to be polluting the air must be replaced (or fixed) on instruction by the PMU.

3.6. Emergency Prevention and Management:

- Site emergency response plan is posted in prominent positions in all work areas and on all equipment. The procedure shall provide clear directions on (i) how to respond with safety and environment related emergencies on site; (ii) locations of first aid kits and fire containment equipment; and (iii) list of all emergency contacts.
- Scheduling work outside of the Cyclone season, where practical. And ensure that resources in place to support any emergency evacuation and response required, in the event an extreme weather event is identified.
- The evacuation will include a safe shut-down of machines, power to the site, and securing of all premises.

3.7. Traffic Management Plan (TMP):

- Ensure smooth traffic flow and safety for workers, passing vehicles and pedestrian.
- Prohibit the use of engine breaking close to and through communities and inhabited areas
- Regulate working hours for the haul vehicle/trucks
- Signs and other appropriate safety features will be used to indicate construction works are being undertaken.
- Care must be taken during the construction period to ensure that disruptions to pedestrian access and school vehicle traffic are minimized and that access to villages either side of the causeways is maintained at all times.

- Affected communities will be consulted for disruption at any short periods of time and temporary access arrangements made.
- Construction vehicles will use local access roads, or negotiate access with land owners, rather than drive across vegetation or agricultural land, to obtain access to material extraction sites.
- Where local roads are used, they will be reinstated to their original condition after the completion of work.
- Provision of adequate protection to the general public in the vicinity of the work sites, including advance notice of commencement of works, installing safety barriers if required by villagers, and signage or marking of the work areas.

4. Worker Health and Safety

4.1. Workers, at no cost to them, shall be provided with appropriate personal protective equipment (PPE) and site supervisor will ensure the equipment is used.

4.2. The Contractor will provide first aid facilities at work sites and potable water supplies, toilets and hand washing facilities.

4.3. Implement emergency response plan to cope with risk and emergency (e.g., injuries, fire, storm surge, cyclone).

4.4. Comply with all national and good practice regulations and GIIP regarding workers' safety, such as OHS section of the World Bank Environmental and Health and Safety Guidelines (EHSGs) on Construction and Decommissioning.

4.5. Take preventive measures to prevent accidents, such as:

- Implementing good house-keeping practices, such as the sorting and placing loose construction materials or demolition debris in established areas away from foot paths.
- Locating electrical cords and ropes in common areas and marked corridors.
- Planning and segregating the location of vehicle traffic, machine operation, and walking areas, and controlling vehicle traffic through the use of one-way traffic routes, establishment of speed limits, and on-site trained flag- people wearing high-visibility vests or outer clothing covering to direct traffic.
- Ensuring moving equipment is outfitted with audible back- up alarms.
- Use of control zones and safety monitoring systems to warn workers of their proximity to fall hazard zones, as well as securing, marking, and labeling covers for openings in floors, roofs, or walking surfaces;
- Provide PPE and other safety measures as appropriate during works such as safety glasses with side shields, face shields, hard hats, hi-vis vests and safety shoes with non-slip soles, first aid kits, restricted access zones, warning signs, overhead protection against falling debris.

5. Water Quality and Pollution Control

5.1. Contractor shall follow sediment control measures to ensure sediment doesn't enter waterways or coastal marine area.

5.2. Stockpile locations and mitigations to be located at least 30 meters away from any seasonal or permanent waterways

5.3. No washing of concrete in waterways (wash at least 30 meters from any waterways or marine environment).

5.4. No washing of equipment or dumping of any types of wastes in any waterway.

6. Hazardous Substances

6.1. All hazardous substances and chemicals to be clearly marked and labelled and stored, handled and disposed of in accordance with the material safety data sheet (MSDS). This register will be updated regularly.

6.2. Storage of all hazardous substances and chemicals (including fuel) in bunded and covered areas and at least 30m from watercourses and/or the coast and any habitations.

6.3. Have adequate spill kits readily available and clearly labelled on the work site and train workers in their use, application and spill clean-up procedures.

6.4. Never dispose spent oils on the ground and in water courses as it can contaminate soil and groundwater (including drinking water aquifer).

7. Waste Management

The Contractor must be responsible for compliance with the relevant host country legislation relevant to waste management or in the absence of regulations refer to WBG General EHS Guidelines as Good International Industry Practice for waste management.

7.1. Solid waste such as excavation materials wooden plates for trench works, steel, scaffolding material, site holding, packaging material should be reused/recycled where possible

7.2. Non-reusable/recyclable wastes will be collected and transported to approved disposal sites. Disposal sites shall be identified at the project planning stage and the location shall be marked on the plans. But it should not restrict the contractor from disposal of the waste material at alternate site after obtaining approval of the competent authority and without any extra investment. The contractor shall also ensure that the debris do not spill over to the sensitive receptors.

7.3. Provide bins/containers for litter and refuse collection. Waste containers shall be covered, tip-proof, weather-proof and scavenger proof.

7.4. Solid waste may be temporarily stored on site in a designated area approved by the PMU prior to collection and disposal. If not removed off site, solid waste or construction debris shall be disposed of only at sites identified and approved by the PMU. Under no circumstances shall the contractor dispose of any material in environmentally sensitive areas, such as in watercourses.

7.5. No burning, on-site burying or dumping of solid waste shall occur.

7.6. The Contractor shall manage and minimize all wastes throughout the contract on a daily basis, and ensure all worksites are maintained in a tidy condition with grass cut.

7.7. No illegal dumping of wastes.

7.8. At all work sites, waste shall be separated into different waste types for appropriate disposal

7.9. Dumping of any waste and burning of inorganic wastes or hydrocarbons (plastic, oils etc.) is strictly prohibited.

7.10. Contractor will comply with existing requirements for management (including storage, transportation and disposal) of hazardous wastes including national legislation and applicable international conventions, including those relating to transboundary movement. Where such requirements are absent, the Borrower will adopt GIIP alternatives for its environmentally sound and safe management and disposal to licensed sites. In absence of licensed sites for disposal of hazardous waste or if the licensed sites are not operated to acceptable standards, the contractor will minimize waste sent to such sites and consider alternative disposal options including supplier take back.

7.11. After decommissioning of construction sites, the Contractor shall hand over the site after clearing the site of all debris/wastes to the PMU. The site shall be inspected by the PMU. In case of disposal of wastes on private land, certificate of Completion of Reclamation is to be obtained by the Contractor from the landowner that "the land is restored to his satisfaction". The same is to be submitted to the PMU before final payment is claimed.

8. Incident Reporting

8.1. Contractor to notify PMU (E&S Focal Point) of any health and safety incident or accident related to the Project activities which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers. In cases of incident or accident, provide sufficient detail indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and supervising entity as appropriate. Subsequently, prepare a report on the incident or accident and propose any measures to prevent its recurrence. The contractor's report is then submitted PMU. Minor incidents will be reported to the World Bank in the six-monthly reports and major incidents will be reported to the World Bank within 48 hours of occurring.

8.2. The investigation report should include: (a) date and location of incident, (b) summary of events, (c) immediate cause of incident, (d) underlying cause of incident, (e) Root cause of incident (f) immediate action taken, (g) corrective actions, (h) recommendations for further improvement, and (i) monitoring of the implementation of corrective actions.

Subprojects Specific: Container Wash-Bays

In addition to the above provisions (Part I and Part II), the following ESCOP is prepared for the operational of Container Wash-bays, to be funded under the Project.

1. Key Compliance:

1.1. All relevant permits and certificates required by national law must be obtained and copies held by the Contractor ***prior*** to any works commencing (e.g. Environment Permits etc.).

1.2. The following features are critical for Wash Bay:

- ✓ Floor must be impermeable and include bunding to contain spills
- ✓ Oil water separators must be sized appropriate for the volume and type of waste
- ✓ Silt traps must capture solids and grit before the water enters treatment
- ✓ Flush diversion system must be in place for unroofed wash bays
- ✓ Pre-treatment must address pH levels, temperature, and suspended solids
- ✓ Holding tanks must ensure retention time to allow for proper separation and treatment

2. Wash Bay Location:

2.1. Prior to submitting relevant permits, a wash bay that discharges to ground, the sites suitability for onsite disposal should first be considered.

2.2. Wash bay should not be located close to sensitive water resources, including but not limited to protected waterways, drinking water catchments, and conservation valued wetlands.

3. Proper Containment

3.1. Wash bays should be designed or equipped with impervious surfaces and bunding to prevent wash water and spills from escaping and contaminating surrounding areas

3.2. The floor should be graded to drain towards a collection point or a channel connected to the sediment trap.

3.3. Ensure the wash water can drain adequately without pooling or overflowing the bunds.

4. Waste Water Management:

4.1. Wash water should be treated prior to discharge in accordance with WBG General EHS Guidelines to ensure that the pollution load of the discharged wash water meets the national standards and considering the Assimilative capacity of the receiving water for the load of contaminant being discharged wastewater if discharge is to surface water. Leverage the use of wastewater treatment plant at the port facility (if available) to treat the wash water prior to discharge.

4.2. Use oil-water separators, silt traps and other filtration system at run-off collection points

4.3. Sediment/silt traps: The sediment trap should be able to hold the anticipated volume of wastewater for a minimum of 12 hours, to allow the sediment/silt to drop out of the solution. Due to being potentially contaminated, any sediment removed from the trap should be disposed of to an approved landfill facility.

4.4. Collection tanks: To allow for the de-emulsification of oil from the wash water, a collection tank is needed for wastewater management prior to any oil/water separators. The tank should be able to hold the anticipated volume of wastewater for a 12-hours period. Note that a sediment trap will NOT be accepted to be used as a collection tank. Accumulated oil and sediment will need to be pumped out and removed for disposal.

4.5. Oil water separator: If hydrocarbons are present within the wastewater, an oil water separator is required to be installed. It needs to be situated within a sealed or bunded area that has a floor waste that drains back into the collection tank. Common separators include vertical gravity separators (VGS), coalescing plate separator (CPS), or hydrocyclone unit. The separator chosen should be able to consistently produce a waste stream with a maximum of 15ppm (roughly 15mg/L) of hydrocarbons. Not that triple interceptors are not approved as primary(main) oil/water separation devices.

4.6. Sampling points: An approved waste sampling point is required to be installed after the oil/water separator but prior to the point of disposal to ground

4.7. Cleaning chemicals/agents: Only cleaning chemicals/agents approved for use with the oil/water separator should be used. Generally, the type of agents permitted are quick break, biodegradable detergents and degreasers. These products allow the oily wash water to de-emulsify in the collection tanks or oil water separator, enabling the oil to be recovered prior to discharging.

5. Testing Requirements:

5.1. Sample the quality of wastewater being discharged within 3 months of installation (i.e. initial test). If the initial test results indicated the system is performing adequately, then testing can resume on a six-monthly basis.

6. Maintenance:

6.1. Inspect and cleaning of oil water separators and silt traps

6.2. Wash bay should be regularly cleaned by sweeping using dry absorbent which will negate the need to dispose of large volumes of wastewater

6.3. Monitoring of pH levels and sediment buildup in treatment systems

6.4. Routine check son pumps, bunds, and holding tanks

6.5. Inspection of the wash bay floor for wear, cracks, and leaks

6.6. Documentation of all maintenance

Subprojects Specific: Procurement of Heavy Vehicles and Machineries

Procurement and operating heavy vehicles fiannced through the project presents numerous occupational health and safety risks. These include: (a) Workers are at risk of falling from heights while loading and unloading trucks, accessing equipment, or working on elevated surfaces (b) vehicle collision risk to pedestrians if traffic management is inadequate, workers under or near vehicles are also at risk if the vehicle or parts shift or fall (c) erogonmic risks from Repetitive tasks like manual handling, lifting, and improper postures (d) Workers may be exposed to chemicals, fumes (especially in enclosed spaces), and other hazardous substances during loading, unloading, and maintenance activities (e) Long shifts, night work, and demanding schedules can contribute to driver fatigue, increasing the risk of accidents and errors (f) accidents through equipment failure such as Malfunctioning brakes, improperly restrained loads.

Risk management strategies, to be incorporated into procurement process, include the following:

1. Duty of Care: Procuring heavy vehicles involves significant occupational health and safety (OHS) considerations. Implementing Agencies have a duty of care to ensure the safety of their employees, which includes the procurement process for heavy machineries and/or vehicles. This duty encompasses (1) making certain that the machinery and vehicles are fit for purpose and meet safety standards, and (2) assessing risks associated with vehicle operation, maintenance, and the work environment.

2. Hazards and Risks: The operation of heavy machinery and vehicles carries various hazards and risks, including the potential for vehicle collisions. Accidents involving heavy vehicles can lead to severe consequences. Factors contributing to such accidents may include:

- a heavy vehicle surpassing weight or size limits
- an inexperienced driver or one lacking proper training for the required task
- an unfit heavy vehicle for the road
- distractions affecting the driver's focus
- excessive or inappropriate speed
- driver impairment due to fatigue, alcohol, or drugs

Managing hazards and risks include:

- Ensuring vehicles are safe, roadworthy, and well-maintained
- Confirming the vehicle is suitable for its intended use
- Load monitoring system: properly loading vehicles to keep them stable and secure, with measures in place to prevent loads from shifting or falling
- Stability control: features like anti-roll or anti-skid systems help maintain stability during operation, especially uneven surfaces or when handling heavy loads
- Establishing systems to address driver fatigue and manage alcohol and drug use in the workplace.
- Operator Safety Cabin: A well-designed cabin with adequate visibility and features like seatbelts and roll-over protection
- Anti-Slip Technology: to prevent slips and falls, especially in wet or greasy environment.

3. Control measures: Control measures include:

- Risk Assessment: Regularly assess workplace hazards and implement appropriate control measures to mitigate risks

- Safe Operating Procedures such as (i) Pre-Operational Checks: daily inspections, including visual checks, fluid level checks, tire inspections, and controls functionality (ii) Load Handling - Ensure loads are properly secured, within the manufacturer's capacity, and distributed evenly to maintain stability. (iii) Speed and Movement: Maintain safe speeds and avoid sudden movements that could lead to instability or accidents (iv) Path Planning: Plan routes carefully to avoid tight corners, obstacles, and congested areas. Traffic Management: Implement clear and effective traffic management plans to separate pedestrians and vehicles, and ensure proper signage and barriers
- Training and Procedures: Provide comprehensive training on safe operating procedures for heavy vehicles, including load securing, emergency procedures, and hazard identification
- Personal Protective Equipment (PPE): Ensure workers wear appropriate PPE, such as high-visibility clothing, hard hats, and safety footwear at no cost to the workers
- Fatigue Management
- Maintaining vehicles in good working order, including regular inspections and maintenance.

4. Procurement Process: Occupational Health and Safety (OHS) factors should be incorporated into the selection process. Each participating Project Management Unit (PMU) should conduct an OHS risk assessment to ensure that the procurement does not introduce any workplace hazards. OHS requirements and information about identified hazards during the assessment should include, among others (but not limited to):

- ✓ Machinery and/or vehicles must be accompanied by operational and maintenance manuals, ensuring a consistent standard for determining when heavy vehicles are unsafe and providing clear pass/fail criteria for their components.
- ✓ Assurance that safety and other instructions will be supplied
- ✓ Verification that purchased items will function as intended
- ✓ Providing evidence regarding OHS performance

OHS Considerations in the procurement process:

Procurement Stage	OHS Considerations
Planning	✓ Likely OHS issues in the proposed procurement are identified ✓ Specific OHS issues to be addressed by suppliers are identified
Preparing to Approach Market	✓ Required OHS performance standards are identified and include in the tender ✓ Considerations are given to whether the suppliers is required to undertake an OHS risk assessment for the particular procurement ✓ There is a requirement for the supplier to provide safe work procedures ✓ A supplier OHS checklist is included in the tender specifications ✓ Appropriate OHS weightings are allocated and the tender selection criteria for the particular procurement
Evaluating submissions	✓ The supplier has identified OHS issues associated with the procurement

	✓ The supplier has provided a plan to manage identified OHS issues ✓ The supplier includes provisions for Operator Training and Certification to operate the heavy vehicles according to relevant standards and regulations

5. Training: Training must be provided for anyone who:

- is new to the heavy vehicle industry
- is not licenced to operate a heavy vehicle
- uses specialised equipment (vehicle-mounted cranes and other ancillary equipment)
- is transporting machinery, equipment or tools (loading and load restraint)
- lacks basic driver safety skills

Annex 3. Workers Code of Conduct

A. Requirements

A satisfactory Code of Conduct will contain obligations on all direct workers (other) and contracted workers (including sub-contractors and day workers) and community workers that are suitable to address the following issues, as a minimum. Additional obligations may be added to respond to particular concerns of the region, the location and the Project sector or to specific Project requirements.

The Code of Conduct shall contain a statement that the term 'child'/ 'children' means any person(s) under the age of 18 years.

The issues to be addressed include:

1. Compliance with applicable laws, rules, and regulations
2. Compliance with applicable health and safety requirements to protect the local community (including vulnerable and disadvantaged groups), the Employer's and Project Manager's personnel, and the Contractor's personnel, including sub-contractors and day workers, (including wearing prescribed PPE, preventing avoidable accidents and a duty to report conditions or practices that pose a safety hazard or threaten the environment)
3. The use of illegal substances
4. Non-Discrimination in dealing with the local community (including vulnerable and disadvantaged groups), the Employer's and Project Manager's personnel, and the Contractor's personnel, including sub-contractors and day workers (for example on the basis of family status, ethnicity, race, gender, religion, language, marital status, age, disability (physical and mental), sexual orientation, gender identity, political conviction or social, civic, or health status)
5. Interactions with local community(ies), members of the local community (ies), and any affected person(s) (for example to convey an attitude of respect, including to their culture and traditions)
6. SEA/SH (for example to prohibit use of language or behavior, in particular towards women and/or children, that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate)
7. Violence including sexual and/or gender-based violence (for example acts that inflict physical, mental or sexual harm or suffering, threats of such acts, coercion, and deprivation of liberty
8. Exploitation including SEA (for example the prohibition of the exchange of money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading behavior, exploitative behavior or abuse of power)
9. Protection of children (including prohibitions against sexual activity or abuse, or otherwise unacceptable behavior towards children, limiting interactions with children, and ensuring their safety in Project areas)
10. Sanitation requirements (for example, to ensure workers use specified sanitary facilities provided by their employer and not open areas)

11. Avoidance of conflicts of interest (such that benefits, contracts, or employment, or any sort of preferential treatment or favors, are not provided to any person with whom there is a financial, family, or personal connection)
12. Respecting reasonable work instructions (including regarding environmental and social norms)
13. Protection and proper use of property (for example, to prohibit theft, carelessness or waste)
14. Duty to report violations of this Code
15. Non retaliation against workers who report violations of the Code, if that report is made in good faith.

The Code of Conduct should be written in plain language and signed by each worker to indicate that they have:

- received a copy of the code;
- had the code explained to them;
- acknowledged that adherence to this Code of Conduct is a condition of employment; and
- understood that violations of the Code can result in serious consequences, up to and including dismissal, or referral to legal authorities.

B. An Example of Workers' Code of Conduct

Instructions: This Code of Conduct (CoC) is to be signed by all Contractor and Consultant staffs, including managers, working under the Project.

I, _____, acknowledge that adhering to environmental, social, health and safety (ESHS) standards, following the project's occupational health and safety (OHS) requirements, and preventing Sexual Exploitation Abuse (SEA)/Sexual Harassment (SH) is important.

The Contractor/Consultant considers that failure to follow ESHS and OHS standards, or to partake in activities constituting SEA and SH be it on the work site, the work site surroundings, at workers' camps, or the surrounding communities—constitute acts of gross misconduct and are therefore grounds for sanctions, penalties or potential termination of employment. Prosecution by the Police of those who commit VAC, SEA/SH may be pursued if appropriate.

I agree that while working on the project I will:

- Carry out his/her duties competently and diligently.
- Comply with this Code of Conduct and all applicable laws, regulations and other requirements, including requirements to protect the health, safety and well-being of other Contractor's Personnel and any other person.
- Maintain a safe working environment including by:
- Ensure that workplaces, machinery, equipment and processes under each person's control are safe and without risk to health.
- Use appropriate measures relating to chemical, physical and biological substances, and agents; and
- Follow applicable emergency operating procedures.
- Report works situations that he/she believes are not safe or healthy and remove himself/herself from a work situation which he/she reasonably believes presents an imminent and danger to his/her life or health;
- Consent to a background check in any place I have worked for more than six months.
- Attend and actively partake in training courses related to ESHS, OHS, VAC, SEA/SH as requested by my employer.
- Will wear my personal protective equipment (PPE) at all times when at the work site or engaged in project related activities.
- Take all practical steps to implement the E&S risk management instruments/tools applicable for the Project.
- Adhere to a zero-alcohol policy during work activities, and refrain from the use of narcotics or other substances which can impair faculties at all times.
- Treat women, children (persons under the age of 18), and men with respect regardless of race, color, language, religion, political or other opinion, national, ethnic, or social origin, property, disability, birth or other status.
- Not use language or behavior towards women, children or men that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate.
- Not sexually exploit or abuse project beneficiaries and members of the surrounding communities.
- Not engage in sexual harassment of work personnel and staff —for instance, making unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature is prohibited: i.e. looking somebody up and down; kissing,

howling or smacking sounds; hanging around somebody; whistling and catcalls; in some instances, giving personal gifts.

- Not engage in sexual favors —for instance, making promises of favorable treatment (i.e. promotion), threats of unfavorable treatment (i.e. loss of job) or payments in kind or in cash, dependent on sexual acts—or other forms of humiliating, degrading, or exploitative behavior.
- Not participate in sexual contact or activity with children under the age of 18—including grooming or contact through digital media. Mistaken belief regarding the age of a child is not a defense. Consent from the child is also not a defense or excuse.
- Unless there is the full consent[8] by all parties involved, I will not have sexual interactions with members of the surrounding communities. This includes relationships involving the withholding or promise of actual provision of benefit (monetary or non-monetary) to community members in exchange for sex (including prostitution). Such sexual activity is considered "non-consensual" within the scope of this Code.
- Consider reporting through the GRM or to my manager any suspected or actual SEA/SH by a fellow worker, whether employed by my company or not, or any breaches of this Code of Conduct.
- Complete relevant training courses that will be provided related to the environmental and social aspects of the Contract, including on health and safety matters, and Sexual Exploitation, and Sexual Assault (SEA).
- Report violations of this Code of Conduct; and

With respect to children under the age of 18:

- Bring to the attention of my manager the presence of any children on the construction site or engaged in hazardous activities.
- Wherever possible, ensure that another adult is present when working in the proximity of children.
- Not invite unaccompanied children unrelated to my family into my home unless they are at immediate risk of injury or in physical danger.
- Not use any computers, mobile phones, video, and digital cameras or any other medium to exploit or harass children or to access child pornography (see also "Use of children's images for work related purposes" below).
- Refrain from physical punishment or discipline of children.
- No hiring of children for any Project activity (no persons under the age of 18).
- Comply with all relevant local legislation, including Labor laws in relation to child Labor and World Bank's safeguard policies on child Labor and minimum age.
- Take appropriate caution when photographing or filming children (see x-bb below). Photos or films of children should generally not be taken in the CAWSIP, except in instances showing the benefits or impacts of road works, such as impacts to schools or school safety trainings.

[8] **Consent** is defined as the informed choice underlying an individual's free and voluntary intention, acceptance or agreement to do something. No consent can be found when such acceptance or agreement is obtained using threats, force or other forms of coercion, abduction, fraud, deception, or misrepresentation. In accordance with the United Nations Convention on the Rights of the Child, the World Bank considers that consent cannot be given by children under the age of 18, even if national legislation of the country into which the Code of Conduct is introduced has a lower age. Mistaken belief regarding the age of the child and consent from the child is not a defence.

Use of children's images for work related purposes

When photographing or filming a child for work related purposes, I must:

- Before photographing or filming a child, assess and endeavor to comply with local traditions or restrictions for reproducing personal images.
- Before photographing or filming a child, obtain informed consent from the child and a parent or guardian of the child. As part of this I must explain how the photograph or film will be used.
- Ensure photographs, films, videos, and DVDs present children in a dignified and respectful manner and not in a vulnerable or submissive manner. Children should be adequately clothed and not in poses that could be seen as sexually suggestive.
- Ensure images are honest representations of the context and the facts.
- Ensure file labels do not reveal identifying information about a child when sending images electronically.

Raising Concerns

If any person observes behavior that he/she believes may represent a violation of this Code of Conduct, or that otherwise concerns him/her, he/she should raise the issue promptly. This can be done in either of the following ways:

1. Contact [enter name of the Contractor's Social Expert with relevant experience in handling gender-based violence, or if such person is not required under the Contract, another individual designated by the Contractor to handle these matters] in writing at this address [ ] or by telephone at [ ] or in person at [ ]; by instant messaging platforms, such as Telegram or Whatsapp; or
2. Call [ ] to reach the Contractor's hotline (if any) and leave a message.

The person's identity will be kept confidential, unless reporting of allegations is mandated by the country law. Anonymous complaints or allegations may also be submitted and will be given all due and appropriate consideration. We take seriously all reports of possible misconduct and will investigate and take appropriate action. We will provide warm referrals to service providers that may help support the person who experienced the alleged incident, as appropriate.

There will be no retaliation against any person who raises a concern in good faith about any behavior prohibited by this Code of Conduct. Such retaliation would be a violation of this Code of Conduct.

Sanctions

I understand that if I breach this Workers' Code of Conduct, my employer will take disciplinary action which could include:

- Informal warning,
- Formal warning,
- Additional Training,
- Loss of up to one week's salary,
- Suspension of employment (without payment of salary), for a minimum period of 1 month up to a maximum of 6 months,
- Termination of employment,
- Report to the Police if warranted.

I understand that it is my responsibility to ensure that the environmental, social, health and safety standards are met. That I will adhere to the occupational health and safety management plan. That I will avoid actions or behaviors that could be construed as VAC or SEA/SH. Any such actions will be a breach this Workers' Code of Conduct. I do hereby acknowledge that I have read the foregoing Workers' Code of Conduct, do agree to comply with the standards contained therein and understand my roles and responsibilities to prevent and respond to ESHS, OHS, VAC and SEA/SH issues. I understand that any action inconsistent with this Workers' Code of Conduct or failure to act mandated by this Workers' Code of Conduct may result in disciplinary action and may affect my ongoing employment.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Annex 4. Template for E&S Risk Management Report

The following reporting template is an example to be used by the Environmental and Social (E&S) Specialist of PMU.

Reporting Period	
Dates of Site Visit	
List of people met during site visit	

1. Subprojects Description

This section provides an overview of all subprojects funded by the Project and their basic information.

List of Subprojects	Location	Time frame of Implementation	Description of Subprojects*	E&S Instrument(s) Applied**

Guidance notes to complete the Table:

** Description of the environmental and social conditions of the sub-project's location(s). Make sure to note environmental and social sensitive receptors (e.g., forests, cultural heritage, etc.). No need to include location for activities such as training, meetings, or workshop.*

*** E&S Instrument(s) Applied is based on the outcome of the E&S Screening*

2. Environmental and Social Impacts

This section highlights environmental and social impacts ***observed***, ***reviewed*** and ***discussed*** during the reporting period for ***each subproject*** funded by the Project. To complete this section, please refer to the potential E&S impacts (Chapter 4) and ESCOPs (Annex 2) as a guide during site visits and supervision of the implementation of the E&S risk management measures.

List of Subprojects	Environment		Social	
	Impacts	Mitigation	Impacts	Mitigation

3. Follow-Up Actions

This section outlines activities to be done during the next reporting period. The focus will be to ensure E&S risk management measures are implemented and that pending actions during the previous and current reporting periods are followed up on the next reporting.

List of Subprojects	Environment	Social

4. Incidents Reporting

This section outlines accidents and injuries that require treatment.

List of Subprojects	Health and Safety Incidents	Grievances

Annex 5. Physical and Cultural Chance Find Procedures

Cultural heritage encompasses tangible and intangible heritage which may be recognized and valued at a local, regional, national or global level. *Tangible cultural heritage*, which includes movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Tangible cultural heritage may be located in urban or rural settings, and may be above or below land or under the water. *Intangible cultural heritage*, which includes practices, representations, expressions, knowledge, skills—as well as the instruments, objects, artefacts and cultural spaces associated therewith— that communities and groups recognize as part of their cultural heritage, as transmitted from generation to generation and constantly recreated by them in response to their environment, their interaction with nature and their history.

In the event that during construction sites of cultural value are found, the following procedures for identification, protection from theft, and treatment of discovered artefacts should be followed and included in standard bidding documents.

Chance find procedures will be used as follows:

1. Stop the earthworks, construction or land clearing activities in the area of the chance find.
2. Delineate the discovered site or area.
3. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities take over.
4. Notify the foreman or supervisory Engineer who in turn will notify the responsible local authorities immediately.
5. Local authorities or relevant Department responsible for preservation of cultural heritage would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures.
6. Decisions on how to handle the finding shall be taken by the local authorities.
7. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by PMU; and
8. Construction work could resume only after permission is given from the relevant local authorities concerning safeguard of the heritage.

These procedures must be referred to as standard provisions in construction contracts. During project supervision, the Foreman or Site Engineer shall monitor the above regulations relating to the treatment of any chance find encountered are observed.

Annex 6. TOR for PMU E&S Officer / Focal Point

The Environmental and Social (E&S) Officer or Focal Point will support the environmental and social risk management activities of the Project Management Unit (PMU) within the participating countries. Tasks include, but are not necessarily limited to:

1. Contribute to the development of the Project's Operations Manual (POM) and the project's annual planning processes.

2. Contribute to project documents (Terms of References, Contracts, etc.) to ensure they have requisite E&S risk management documentation applied and incorporated as required.

3. Undertake environmental and social screening procedure set out in Chapter 5 of the Focused E&S Assessment document.

4. Facilitate and participate in community consultations, as prescribed in the country-level Stakeholder Engagement Plan (SEP).

5. Ensure relevant national E&S management instruments or permits are well prepared, submitted and approved.

6. Provide technical support in monitoring the implementation of E&S instruments and tools, on a day-to-day basis.

7. Collect data and conducting field work as required.

8. Document the implementation of E&S instruments and provide regular reports.

9. Monitors and manages of complaints / incidents logged via the GRM system.

10. Support PMU to manage any significant environmental risks and/or incidents on the Project.

11. Ensure stakeholder engagement and disclosure processes meets the World Bank policy and community expectations.

12. Establish environmental and social monitoring and reporting system within the PMU and contribute to Progress Reports, including compilation of relevant items from Monthly Reports. The monitoring and reporting system will cover compliance on E&S risk management and mitigation measures instruments/tools.

13. Monitor contractor's compliance with ESCOP, and as necessary conduct on- site spot-checks of contractor's mitigations and review contractor's regular monitoring reports (if applicable).

14. Audit the project construction sites to verify the activities are implemented in compliance with the environmental health and safety (E&S) standards.

15. The E&S Specialist(s) should have the following qualifications:
    - Must be holder of Bachelor's Degree in social sciences, development studies, environment project-related fields;

- At least five (5) years' experience in environmental and social assessment, implementation and monitoring, preparation of documents and training in environmental and social safeguards implementation with various government and donor-funded rural development projects;
- Demonstrated experience in infrastructure sector, preferably in the Pacific Island Countries
- Demonstrated experience in conducting key stakeholder workshops and consultation, including previous community engagement skills.