

FEDERATED STATES OF MICRONESIA

DEPARTMENT OF RESOURCES AND DEVELOPMENT



ACCESS AND RENEWABLE INCREASE FOR SUSTAINABLE ENERGY (ARISE)

P181253

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)

DRAFT

DECEMBER 2024

Abbreviations and Acronyms

AP	Affected Persons
ARISE	Access and Renewable Increase for Sustainable Energy
BESS	Battery Energy Storage System
CFP	Chance Finds Procedure
CIU	Centralized Implementation Unit
CoP	Code of Practice
CPUC	Chuuk Power Utility Company
DECEM	Department of Environment, Climate Change and Emergency Management
DoFA	Department of Finance and Administration - FSM National Government
DNRD	Department of Natural Resources and Development – FSM National Government
DoESD	Division of Environment and Sustainable Development FSM National Government
ED	Energy Division - FSM National Government
EE	Energy Efficiency
E&S	Environmental and Social
EHS	Environmental, Health, and Safety
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ESCP	Environmental and Social Commitment Plan
ESF	World Bank Environmental and Social Framework
ESHS	Environmental, Social, Health and Safety
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Safeguards
FSM	Federated States of Micronesia
GBV	Gender Based Violence
GoFSM	Government of the Federated States of Micronesia
GM	Grievance Mechanism
IDA	International Development Association
IEE	Initial Environmental Examinations
KIRMA	Kosrae Island Resource Management Agency
KPUC	Kosrae Power Utility Company
LAP	Land Access Procedures
LDDR	Land Due Diligence Report
LED	Light Emitting Diode
LMP	Labour Management Procedures
LV	Low Voltage
MOU	Memorandum of Understanding
MV	Medium Voltage
NEP	National Energy Policy
NGO	Non-Governmental Organisation
O&M	Operation and Maintenance

OHS	Operational Health and Safety
PCR	Physical Cultural Resources
PIU	Project Implementation Unit
POM	Project Operational Manual
PUC	Pohnpei Utility Company
R&D	Department of Resources and Development – FSM National Government
SEA	Sexual Exploitation and Abuse
SECAP	Stakeholder Engagement and Communication Action Plan
SEDAP	Sustainable Energy Development and Access Project
SEP	Stakeholder Engagement Plan
SH	Sexual Harassment
TOR	Terms of Reference
UXO	Unexploded Ordnance
VAC	Violence Against Children
WB	World Bank
WMP	Waste Management Plan
YSPUC	Yap State Power Utility Company

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Introduction

This Environmental and Social Management Framework (ESMF) is developed to support the environmental and social due diligence provisions for activities financed by the World Bank in the Access and Renewable Increase for Sustainable Energy Project (ARISE). ARISE represents a follow-on project from the World Bank Funded Sustainable Energy Development and Access Project (SEDAP), which aims to improve reliability of electricity supply and access to electricity and scale up renewable generation. ARISE will contribute to the achievement of the Government of the Federated States of Micronesia’s (GoFSM’s) energy sector goals by expanding (providing new or improved) access to electricity service, increasing renewable energy generation, and enhancing capacity of energy related entities in the four states of FSM. The Department of Resources and Development (R&D) will lead the implementation of the Project activities.

This ESMF follows the World Bank Environmental and Social Framework (ESF) as well as the national and state level laws and regulations of the FSM. The objective of the ESMF is to assess and mitigate potential negative environmental and social risks and impacts of the Project consistent with the Environmental and Social Standards (ESSs) of the World Bank ESF and national requirements. More specifically, the ESMF aims to (a) assess the potential environmental and social risks and impacts of the proposed Project and propose mitigation measures; (b) establish procedures for the environmental and social screening, review, approval, and implementation of activities; (c) specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social issues related to the activities; (d) identify the staffing requirements, as well as the training and capacity building needed to successfully implement the provisions of the ESMF; (e) address mechanisms for public consultation and disclosure of project documents as well as redress of possible grievances; and (f) establish the budget requirements for implementation of the ESMF. The rationale of using an ESMF instead of project-specific environmental and social assessment and management plans, is that the designs and exact locations of project activities, as well as the type and magnitude of the environmental and social impacts, will not be known until the project is at an advanced stage of implementation, after engineering surveys are complete.

This ESMF, including the Labor Management Procedures (LMP) (Annex VI), should be read together with other stand-alone plans prepared for the project, including the Stakeholder Engagement Plan (SEP), the Environmental and Social Commitment Plan (ESCP), and Project Operational Manual (POM), and other specific plans that have been or will be prepared for the Project.

1 Project Description

1.1 Project Summary

The proposed Project will contribute to the achievement of the GoFSM’s energy sector goals by expanding access to electricity service, increasing renewable energy generation, and enhancing capacity of energy related entities in FSM’s four states. The development objective is (i) to expand access to electricity service and (ii) increase renewable energy generation in targeted project areas.

The Project will fund the construction of mini grids, rehabilitation (including resilience enhancement) of distribution networks, integration of solar PV systems, technical assistance, and capacity strengthening (US\$60 Million) as part of a Multiphase Programmatic Approach for the four individual states of the FSM.

The Project activities are grouped into three components:

- **Component 1 - Electricity Service Expansion (US\$35 million)** will (i) increase the electricity access rate in Chuuk; (ii) improve the reliability and safety of power supply while enhancing resilience to climate and natural hazards and reducing technical losses in Pohnpei, Yap, and Kosrae; and (iii) facilitate preventive grid maintenance for the four power utilities.
- **Component 2 - Renewable Energy Generation (US\$18 million)** will increase solar energy generation with storage and grid stability controls in Chuuk, Pohnpei, and Yap to reduce diesel generation costs and help achieve GHG emission reduction targets.
- **Component 3 - Institutional Strengthening and Implementation Support (US\$7 million)** aims to strengthen the capacity of key energy sector entities such as R&D, state power utilities, and the project implementation unit (PIU).

The Project Appraisal Document (PAD), will contain detailed information on the ARISE project components and, when finalized, will be available on the World Bank ARISE website¹.

1.2 Project Management Structure and Institutional Arrangements

R&D, through its energy division, is responsible for the energy sector development, coordination, and program implementation. At the state level, power generation and supply are managed by state power, water, and sewerage operators: Chuuk Public Utility Corporation (CPUC), Kosrae Utility Authority (KUA), Pohnpei Utilities Corporation (PUC), and Yap State Public Service Corporation (YSPSC). R&D will implement the project with support from the Department of Finance and Administration (DoFA) and the state power utilities. The R&D PIU will coordinate project activities, including day-to-day implementation, coordination, supervision, and overall management of project activities. Detailed implementation arrangements are provided in Chapter 7.

1.3 Summary of Main Project Activities

Project activities include construction of mini-grids and underground distribution loops, rehabilitation of the existing grid/networks, and the installation of grid-connected solar PV systems. Civil works will be undertaken across all four FSM states. The project also includes Technical Assistance (TA) activities to strengthen the institutional capacity of key energy entities, including the provision of apprenticeships and internships in the energy sector.

The proposed project activities can be summarized into the following general typologies, which will be assessed and screened for their environmental and social risks:

Table 1 – Typology of the Proposed Project Activities

Project Activity	FSM State(s)	Activity Description
Solar-powered mini grids (sub-component 1.1)	Chuuk	Construction of solar-powered mini grid systems in five of seven unelectrified islands of Chuuk State. Five islands are to be selected from the following: <ul style="list-style-type: none"> • Polle Island (inner Chuuk lagoon inner islands) • Nomwin Island (north-west Chuuk State islands) • Onoun Island (north-west Chuuk State islands)

¹ <https://projects.worldbank.org/en/projects-operations/document-detail/P181253?type=projects>

		<ul style="list-style-type: none"> • Houk Island (north-west Chuuk State islands) • Nama (Chuuk State outer islands) • Moch (Chuuk State outer islands) • Lekinoch (Chuuk State outer islands)
Solar PV systems (sub-components 2.1, 2.2, and 2.3)	Chuuk, Pohnpei, Yap	<p>Installation of grid-connected solar PV systems:</p> <ul style="list-style-type: none"> • 2 MW of grid-connected solar PV systems (including solar PV modules, Battery Energy Storage System (BESS), inverters, transformers, control systems) in existing Pohnlangas solar facility, Pohnpei (sub-component 2.1); • 1.5 MW of grid-connected solar PV in Chuuk (1 MW at the Weno solar PV facility, remaining 0.5 MW on rooftops of schools in Weno (Xavier High School) (sub-component 2.2); • 1 MW of grid-connected solar PV systems (including solar PV modules, BESS, inverters, transformers, control systems, roof strengthening/structure erection, etc.) in Yap (main island) (sub-component 2.3).
Distribution grid rehabilitations (sub-components 1.2 and 1.4)	Kosrae, Pohnpei	<p>Small scale rehabilitation and maintenance works including but not limited to:</p> <ul style="list-style-type: none"> (i) Replacing old wooden poles with concrete ones; (ii) Replacing wooden cross arms and insulators; (iii) Upgrading distribution line segments including conversions from single-phase to three-phase; (iv) Replacement/strengthening protection systems; and (v) Providing spare parts (transformers, cross arms, wires, insulators etc.).
Distribution links upgrades (sub-component 1.3)	Yap	<p>Installation of underground distribution loops/links with elevated (above ground) pad-mounted transformers, switchgears, remote-controlled equipment, and fiber optic cables on Yap Island.</p>
Equipment and tools (sub-components 1.1, 1.2, 1.3, 1.4)	Chuuk, Pohnpei, Kosrae, Yap	<p>Provision of new equipment and tools, including but not limited to:</p> <ul style="list-style-type: none"> (i) Bucket truck(s); (ii) Excavator(s); (iii) Tree pruning truck(s); and (iv) Vegetation management tools.
Community outreach programs (sub-component 3.1)	All	<p>Community outreach programs including:</p> <ul style="list-style-type: none"> (i) Energy efficiency (and electricity safety) awareness campaigns. (ii) Clean cooking program development.
Technical advisory (sub-components 3.1 and 3.2)	All	<p>TA activities including but not limited to:</p> <p>Institutional strengthening:</p> <ul style="list-style-type: none"> • Sector development assistance (sub-component 3.1) • Energy efficiency policy (sub-component 3.1) • Company level gender policy and gender action plan (sub-component 3.2) <p>Capacity building activities:</p> <ul style="list-style-type: none"> • Apprenticeship program (sub-component 3.2)

	<ul style="list-style-type: none"> • Internships targeting female students (sub-component 3.2) <p>Technical studies:</p> <ul style="list-style-type: none"> • Cost reflective tariffs (sub-component 3.1) • Prefeasibility studies for follow-on energy projects (sub-component 3.1)
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1.4 Proposed Project Activities by FSM State

1.4.1 Chuuk State

1.4.1.1 Chuuk State Islands Electrification (sub-component 1.1)

This proposed activity includes the electrification of both Chuuk lagoon and Chuuk State outer islands using solar-powered mini grid systems. The seven pre-selected Chuuk State islands that are currently unelectrified are: Onoun, Moch, Lekinoch, Polle, Nama, Nomwin, and Houk. All these islands but Polle are remote, i.e. outside of the Chuuk lagoon, but they are all part of Chuuk’s electrification plan. Five islands will be selected from these seven unelectrified islands. Figure 1 shows the islands selected for electrification for ARISE and the previous energy project (SEDAP). R&D is also considering adding an additional four communities that are all within the Chuuk lagoon (to be confirmed).

Figure 1 – Islands Selected for ARISE and SEDAP Projects, Chuuk State

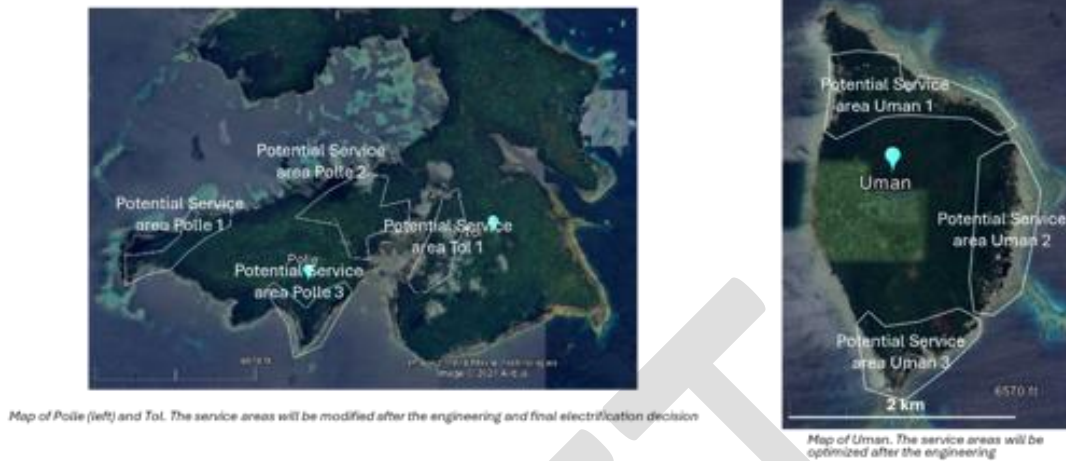


Each mini grid will comprise solar PV generation, distribution networks, service drops and prepaid meters to provide electricity service to households, health centers, government and community facilities, and businesses. Solar panels will preferentially be roof-top mounted. An engineering survey to the outer islands will be undertaken in mid-September 2024. The line lengths involved for rehabilitation on each island will be clear after the engineering survey is complete and consultants have made detailed estimates. Size requirements for the solar systems have not yet been defined and the viability of the sites has not been checked. The proposed plan may change once the communities are surveyed during the outer islands engineering survey.

1. Chuuk Lagoon Inner Islands

The distribution grids will be located within each service area (Figure 2). Initial limits will be refined during the outer islands engineering survey. If medium voltage (MV) distribution grids are designed, they may circle the whole islands.

Figure 2 –Chuuk Lagoon Inner Island (Polle, Tol, Uman), Chuuk State

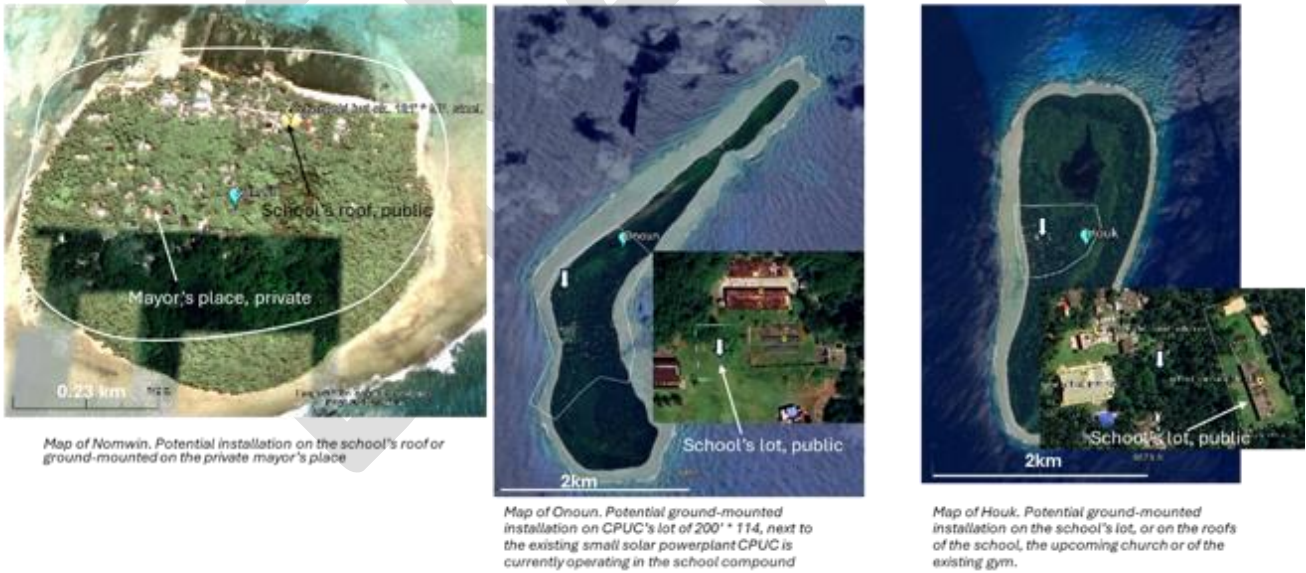


The electrification scope in Tol depends on the final project budget and may change from the electrification of the whole island to no electrification at all. As a first analysis, the electrification of a single village has been considered, to be confirmed by the Chuuk State islands engineering survey.

2. Chuuk State North-West Islands

The distribution grids are proposed to be located within each service area, as circled below in white (Figure 3). There should be one Low Voltage (LV) mini-grid per island. This is the first analysis of available data and it will be refined by further analysis and confirmed by the outer islands engineering survey.

Figure 3 – North-West Chuuk State Islands (Nomwin, Onoun, Houk), Chuuk State



3. Chuuk State Outer Islands

The distribution grids are proposed to be located within each service area, as circled in white (Figure 4). There should be one LV mini-grid per island. As above, this is the first analysis of available data and it will be refined by further analysis and confirmed by the outer islands engineering survey.

Figure 4 – Chuuk State Outer Islands (Nama, Moch, Lekinoch), Chuuk State



1.4.1.2 Chuuk Solar Energy Generation (sub-component 2.2), Weno Island, Chuuk Lagoon

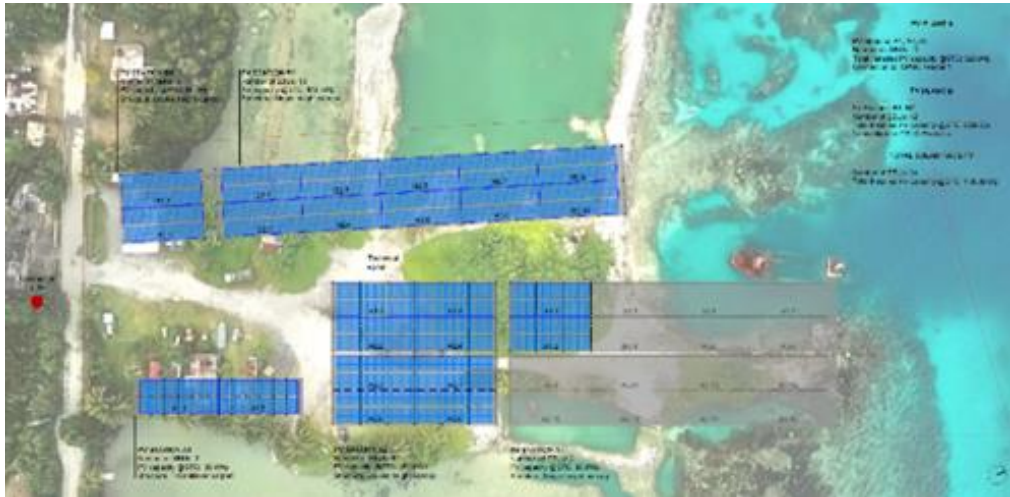
This sub-component will fund the detailed designs, supply, installation, commissioning, and supervision of approximately 1.5 MW of grid-connected solar PV systems (including solar PV modules, BESS, inverters, transformers, control systems, necessary roof strengthening or structure erection, and any other ancillary equipment) in Chuuk’s Weno Island grid.

About 1 MW (out of the 1.5 MW) of the total capacity is proposed to be a ground-mounted system at the remaining available land at the Weno solar PV facility, whose concept design was carried out and is being constructed under the SEDAP project. The remaining 0.5 MW is expected to be installed on rooftops of selected schools (including Xavier High School) in Weno. The installation will comply with hurricane/storm resilient standards and practices (e.g.: strengthened bolting, vibration resistant materials).

Weno Solar Facility Site

As part of SEDAP, the first phase of the Weno Solar Facility construction contract has been signed. The solar generation capacity of the first phase is around 1,050 kWp, but the layout is still pending, to be finalized subject to final decision on plot boundaries and the economic implications of different layout options. Figure 5 shows the plan view of the Weno Solar Facility site. In blue are the first phase solar PV stations. In grey, the initially planned additional 700 kWp. However, it may be difficult to fit much more Solar PV capacity on to the site, in addition to the current capacity under construction (1,050kWp).

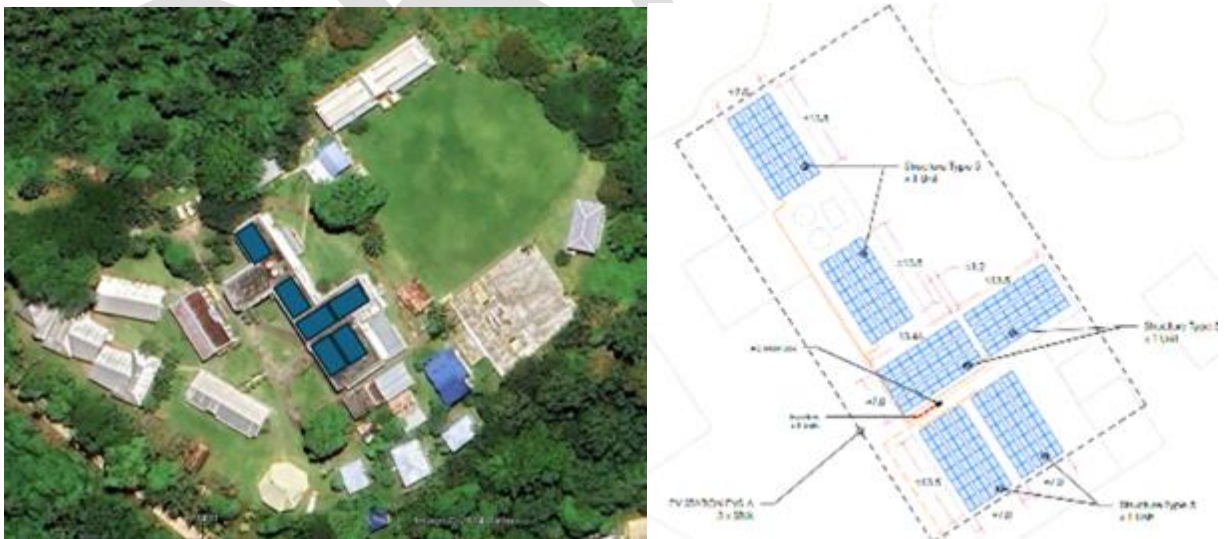
Figure 5 – Plan view of the Weno Solar Facility site as for SEDAP, Chuuk State



Xavier High School Site

This activity is proposed to be 76kWp of roof-mounted solar PV in Xavier High School (Figure 6). This plant is planned for installation under SEDAP. In blue are the planned solar PV stations under SEDAP on the roof. The material has already been procured, and it is to be installed by CPUC with supervision of the owners engineer. The potential additional capacity must be assessed. The roof and land space available may allow for additional PV capacity, but this requires a technical assessment (including connection/grid studies and structural studies) and reaching agreements with the landowner as this site is privately-owned. In principle, based on satellite picture below, fitting 500kWp seems to be highly unlikely considering the footprint of 76kWp of roof-mounted solar PV shown in blue.

Figure 6 – Map and Plan of Xavier High School, Chuuk State



Other Potential Roofs for Solar PV

Other potential roofs that could be used for solar arrays in Weno, include roofs of both privately and publicly-owned buildings including government offices, hotels, schools and shop/warehouses (Figure 7). The capacity that could be installed is subject to structural stability of the roofs, shading issues, grid studies, signing agreements with building owners, and putting in place net metering of feeding tariffs.

Figure 7 – Other Potential Roof Sites, Chuuk State



Proposed Battery Energy Storage System (BESS)

It is proposed to install a 3 MWh storage capacity intended under the ARISE project. The final sizing, location of assets and battery technology to be used and load management strategies to be implemented requires conducting grid stability and techno-economic optimization studies (amongst others). In principle, the BESS is foreseen to be located at CPUC's thermal powerplant, given it would facilitate the integration of the control system (Figure 8). However, this is to be defined based on the results of the required studies.

Figure 8 – CPUC's thermal powerplant, Chuuk State



1.4.2 Kosrae State

1.4.2.1 Kosrae Grid Rehabilitation (sub-component 1.4)

This activity will rehabilitate segments of the distribution network and facilitate preventive maintenance in Kosrae main island. Figure 9 shows the existing distribution grid network on the main island of Kosrae.

Figure 9 – Existing Distribution Network, Kosrae State



Figure 10 shows photos of some of the powerlines in Kosrae that are in a state of disrepair. Many are close to the road side and on or near the eroding coastline.

Figure 10 –Existing Power Pines, Kosrae State



1.4.3 Pohnpei State

1.4.3.1 Pohnpei Grid Rehabilitation (sub-component 1.2)

This sub-component will fund the rehabilitation of the distribution grid on the Pohnpei main island and facilitate its operation and preventive maintenance. The around-island line is approximately 70km in length. Crossarms need to be replaced on most of the poles as they are in a state of disrepair and/or covered in fungus. Some new foundations may also be required in a few locations. In and around Kolonia, there are at least 30km of lines. It is estimated that 100km (or about 60 miles) of lines will be improved under this sub-component. The line lengths to be rehabilitated will be confirmed after engineering consultants have made detailed estimates.

Figure 11 – Map of the Grid Network, Pohnpei State

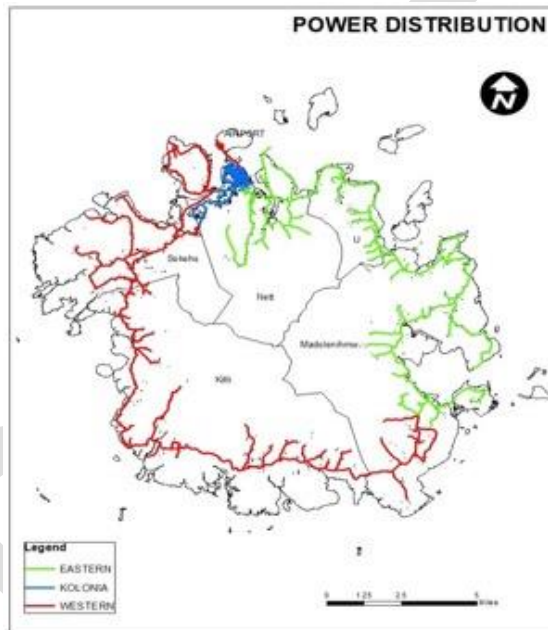


Figure 12 – Proposed Asset Upgrade Sections, Pohnpei State

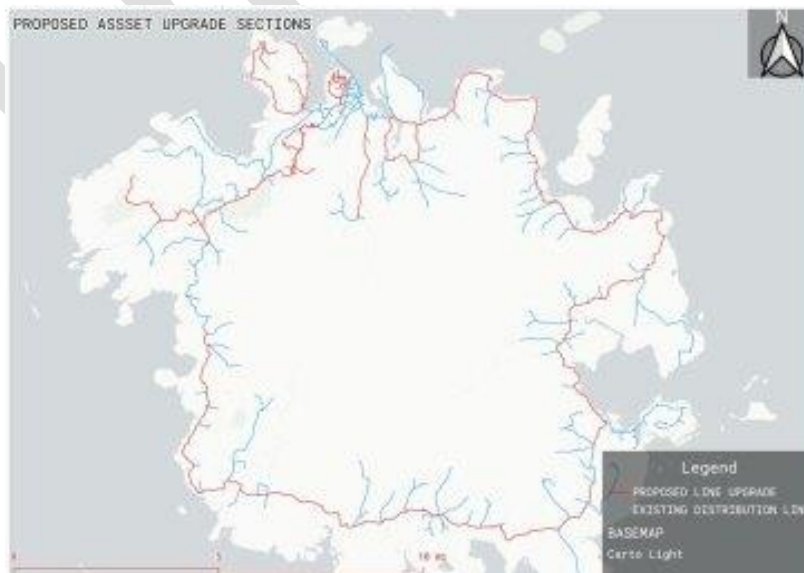


Figure 13 – Yoshimoto Crossarms Starting to fail, Pohnpei State²



Figure 15 - Undersized Conductors/Line Loss, Pohnpei State



Figure 14 – Bypass Line Needs to Change to 3phase, Pohnpei State³



Figure 16 - Existing Bess Battery System, Pohnpei State



² Photo taken by Trevor Fry during the March 2024 World Bank mission to FSM

³ Photo taken by Trevor Fry during the March 2024 World Bank mission to FSM

1.4.3.2 Pohnpei Solar Energy Generation (sub-component 2.1)

This sub-component will fund detailed studies, designs, supply, installation, commissioning, and supervision of about 2 MW of grid-connected solar PV systems (including solar PV modules, Battery Energy Storage System (BESS), inverters, transformers, control systems,) in the Pohnpei main island grid. The solar PV systems are envisioned to be installed at the existing 100 acre (approximately 40 ha) Pohnlangas solar facility, where there is available land. From the facility, the distribution grid will be assessed and strengthened to ensure adequate power transfer capacity and grid stability.

Figure 17 shows the Pohnlangas solar facility. The 2 MW of grid-connected solar PV systems is proposed to be ground mounted.

Figure 17 – Map of Pohnlangas Renewable Energy Site, Pohnpei State



Figure 18 shows the second proposed site for a 1-2 MW roof-mounted solar PV system. The panels will cover the roofs of the public track and field near the high school, the gym, and the Department of Education building across the road in Kolonia, Pohnpei. Additional space is available on nearby school buildings and parking lots. These areas are on government owned land and so do not need leasing.

Figure 18 – Map of Proposed Solar PV Site, Pohnpei State



1.4.4 Yap State

1.4.4.1 Yap Grid Resilience (sub-component 1.3)

This sub-component will install underground distribution loops/links from feeders to critical facilities such as the airport, hospital, water plant facilities, radio station, selected Government buildings, and the commercial center to ensure more reliable power supply on the Yap main island. Figures 19-22 show the proposed line network to be underground. The World Bank and other development partners are funding additional projects related to road improvements and telecommunications, which could be coordinated with when trenching activities are undertaken.

Figure 19 – Proposed Underground Network Plan, Yap State

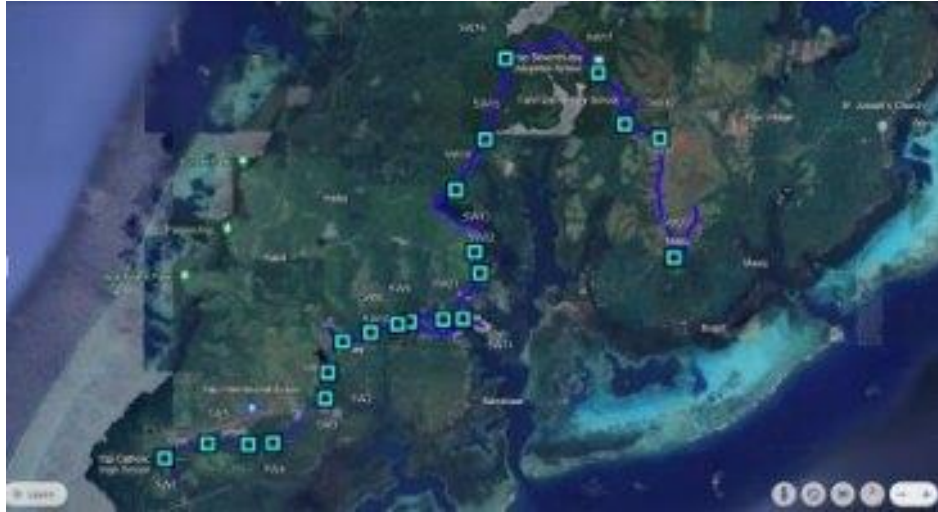


Figure 20 – Line Network near the Yap International Airport, Yap State



Figure 21 – Line Network near the Hospital and Colonia, Yap State

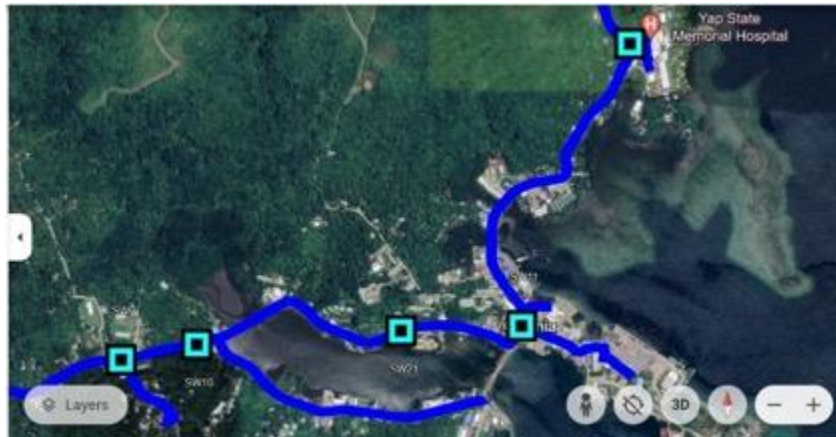


Figure 22 – Line Network in the North, Yap State



1.4.4.2 Yap Solar Energy Generation (sub-component 2.3)

This sub-component will fund the detailed studies, designs, supply, installation, commissioning, and supervision of about 1 MW of ground-mounted, grid-connected solar PV systems (including solar PV modules, BESS, inverters, transformers, control systems, necessary roof strengthening or structure erection, and any other ancillary equipment) in Yap main island. Figure 23 shows the three prospective sites for Yap solar (A, B, C), which are likely to consist of ground mounted systems on government leased land.

Figure 23 – Proposed Sites (A, B, C) for Yap Solar PV systems, Yap State

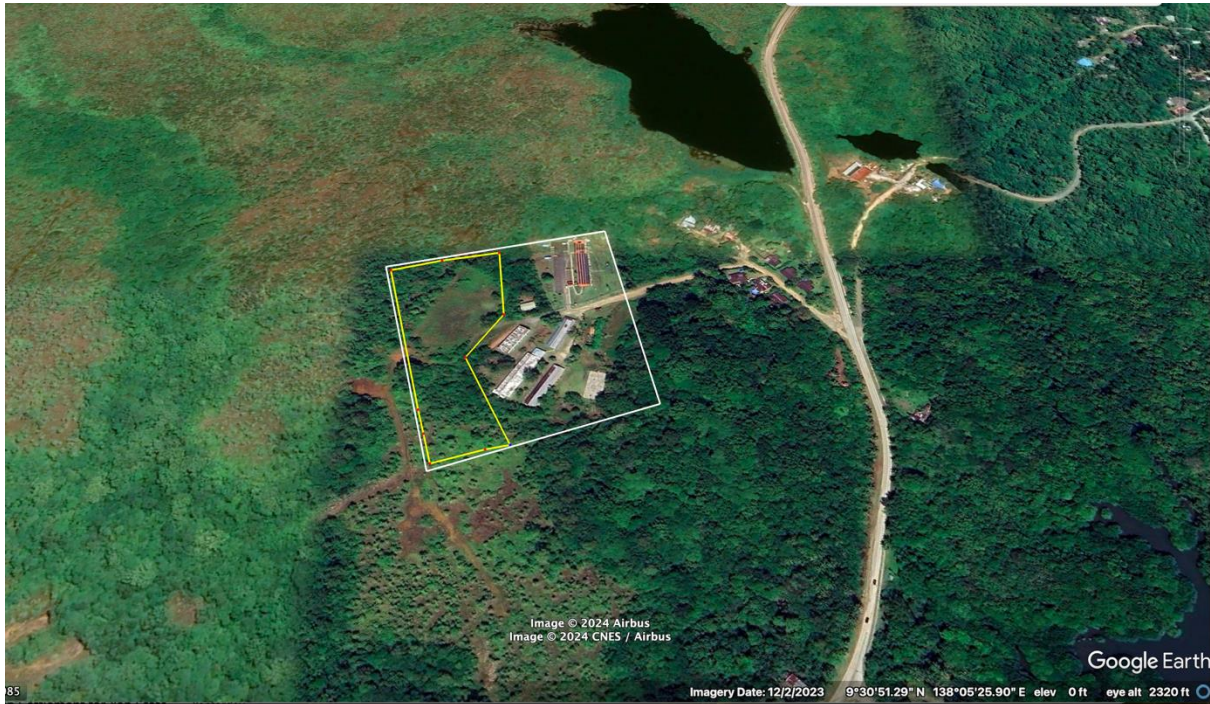


Proposed site A is 13.23 acres (approximately 5 ha) of private land but its proximity to the transmission line provides an advantage. Proposed site B is approximately 24.48 acres (approximately 9.9 ha) of private land. Sites A, B, and C are on privately owned properties. The Lands Department needs to confirm whether or not Sites A, B, and C have been surveyed and titled.

The Government owns very little property on Yap and does not have imminent domain. The use of government buildings for roof solar has been assessed. Only a few buildings have the structural integrity to hold solar systems. The hospital roof has space. However, the Department of Health does not want to lease the roof space as they intend to mount their own solar panels. No other roof space is currently available.

The only vacant government-owned property suitable for the project is being proposed as Site D. Below is an aerial photo of Site D (Figure 24), showing the cadastral boundary of the government property, and the vacant space (approximately 16,213 square meters or 1.6 ha) within the property that is a prospective site for ground-mounted PV. Site D has been surveyed with the Yap State Government as the registered owner and titleholder.

Figure 24 – Proposed Site D for Yap Solar PV, Yap State



1.5 Project Area and Beneficiaries

The main project beneficiaries include electricity consumers, the four power utilities, and key energy sector entities in FSM. Households, businesses, health care centers, community/state facilities in selected outer islands of Chuuk will gain access to electricity through the construction and operationalization of mini grids. Residential, commercial, and government electricity users in the main islands of each state will receive more reliable and resilient electricity service resulting from rehabilitated distribution grids and supplied operational vehicles and goods for prompt recovery after climate/natural hazards. The state utilities will benefit from increased revenues from generation fuel cost savings due to the integration of renewable energy systems, which will help improve financial viability of the utilities. The capacity of R&D’s Energy Division will be enhanced through technical assistance on regulation, energy efficiency policy development, and program development.

2 Environmental and Social Policies, Regulations, and Laws

2.1 Federated States of Micronesia Legal Framework

2.1.1 Overview

The GoFSM is modeled after the U.S. federal system, with a national president and four state governors, each with their own legislature and judiciary. The states of Pohnpei, Chuuk, and Yap have four levels of governance: National, State, municipal, and traditional. Kosrae, has only three levels, as it no longer has traditional leadership.

Table 2 details the legislation that are relevant to the ARISE project.

Table 2 - Relevant FSM Legal Framework

Law	Description and Relevance to Project Activities
FSM Constitution	The Constitution of the FSM (the ‘Constitution’) is the supreme law in FSM, and includes a bill of rights (Art. IV). The Constitution acknowledges and protects the role and functions of traditional leaders as recognized by custom and tradition, as well as the traditions of the Micronesian people (Art. V). The Constitution establishes National, State and Municipal levels of governance (Art. VII).
FSM Environmental Protection Act (2014)	The Environment Protection Act (revised Code 2014) provides for the protection of the environment, culture, historic and natural aspects of Micronesian heritage.
FSM EPA Environmental Impact Assessment Regulations (1989)	<p>The purpose of the Environmental Impact Assessment (EIA) Regulations is to implement Section 13 of the FSM Environmental Protection Act by establishing standard procedures for preparation of an environmental impact statement (EIS) to the Secretary of Human Resources, prior to taking or funding any major action that may significantly affect the quality of the human environment.</p> <p>ARISE small-scale civil works will be assessed against the EIA regulations and the appropriate permits applied for, as required.</p>
Trust Territory Solid Waste Regulations (1979)	<p>The Trust Territory Solid Waste Regulations (1979) establish minimum standards for the design, construction, installation, operation and maintenance of solid waste storage, collection and disposal systems.</p> <p>All waste generated as a result of the ARISE project will be recycled where possible with residual material being disposed of at a facility permitted by the state EPA/KIRMA.</p>
FSM EPA Earthmoving Regulations (1988)	<p>These Regulations provide that “<i>no person shall release funds, equipment or materials or building permit to those engaged in earthmoving activities until a permit is issued by the Secretary of Human resources</i>”. Earthmoving is defined to include activities of a continuous nature such as dredging or quarrying which disturb or alter the surface of the land, including reefs and lagoons. Earthmoving also applies to the subdivision of land, and the moving, depositing or storing of soil, rock, coral or earth.</p> <p>All aggregate material used for the ARISE’s small-scale civil works must be sourced from permitted quarry facilities.</p>
Nationwide Climate Change Policy	FSM does not have any disaster risk management legislation. However, a Nationwide Climate Change Policy was created in 2009. The focus of this Policy is to mitigate climate change especially at the international level and adaptation at the national, state and community levels to reduce the FSMs vulnerability to climate change adverse impacts.
Labor Law	FSM has national legislation that outlines worker’s rights. The Labor Code (Title 51) outlines hiring of non-resident workers, labor development, and other requirements. The Labor Code is discussed in more detail in the Labor Management Procedures (Annex VI).
Sanitation	Three FSM states have sanitation Acts or Regulations. Kosrae State has the Kosrae Code, Section 13.1201 on toilets and the disposal of domestic (human) waste. Pohnpei State has the Pohnpei Trust Territory Environmental Protection Act. The Act and subordinate regulations relate to toilet facilities and sewerage disposal. Yap State has (Draft) Toilet Facilities and Sewerage Disposal Regulations.
Occupational Health and Safety	Legislation related to occupational health and safety is limited. The Public Employment Code 2014 requires that workers exposed to hazardous working conditions are compensated.
FSM Land Use Act	Section 205 of the General Provisions of the Land Use Act for FSM provides that “[t]he law concerning ownership, use, inheritance, and transfer of land in effect in any part of the Trust Territory on December 1, 1941, shall remain in full force and effect to the

	extent that it has been or may hereafter be changed by express written enactment made under authority of the Trust Territory.” The Government Property Acquisition [Title 56] deals with eminent domain (Chapter 1), real property acquisition (Chapter 2), relocation assistance (Chapter 3) and alien property (Chapter 4).
Child Labor and Child Protection	Legislation is missing or incomplete in relation to corporal punishment, child labor, and domestic violence. So far, only Kosrae has passed a Family Protection Act. In addition, there are several legislative gaps in relation to children in contact with the law.

2.2 Environmental and Social Assessment and Permitting

At the national level, the Department of Environment, Climate Change and Emergency Management (DECEM) is responsible primarily for drafting national environmental policies and coordinating among state environmental departments. Environmental policy and regulation in FSM occurs at both the Federal and State levels. The Division of Environment and Sustainable Development (DoESD) at the Federal level is responsible for national policies and legislation, while each State has its own Environmental Protection Agency (EPA). Kosrae state has Kosrae Island Resource Management Authority (KIRMA) which functions as the states EPA. with autonomy over State Environmental Impact Assessment (EIA) Regulations and other environment-related laws. Although the DoESD does not have supervisory power over State EPAs, there is close cooperation between them, particularly in reviewing complex EIAs. All States have similar EIA regulations, where new development activities undergo an environmental impact statement (EIS) to determine if a comprehensive EIA is needed, based on the potential for significant environmental impacts.

The EIA regulations cover a wide range of environmental and social aspects and include impacts on cultural resources, impacts on human health, depletion of natural resources (including aggregates), and hazardous substances risks. Public hearings and consultation are a part of the process. Part III of the regulations sets out the EIA process, whilst Part IV elaborates on this process which is a two-step assessment process with the first step being the submission of an EIS using a checklist template (provided as Appendix B of the regulations). If following evaluation there are potentially severe environmental impacts, then a Comprehensive EIA is required. The contents of the Comprehensive EIA are set out in Part V of the regulations.

The State EPAs are also responsible for permitting of earthworks (and issue permits for any land developments requiring land disturbances), air quality, waste management, and watershed management/water allocation. Activities undertaken by the Government, or its agencies, are assessed under the National Act; otherwise, activities are assessed under the State level Acts and regulations.

2.2.1 Relevance to ARISE Activities

For ARISE, R&D, in association with their state counterpart agencies and the DoFA CIU Safeguards Team, will identify the permits required, and then prepare the IA(s) and the permit application(s).

Depending on their nature and scale, the following ARISE activities may require an EIS to be submitted:

- Construction of solar mini grids on the Chuuk outer islands.
- Construction of new solar PV plants in Chuuk, Pohnpei, and Yap.
- Working in coastal areas and/or in and over waterways.

If any potentially severe environmental impacts are identified, such as the activity substantially diminishing habitat for plants, coastal, or marine areas an EIA may need to be prepared and submitted to meet FSM and state government regulations. Minor civil works, such rehabilitation of existing networks,

are unlikely to require comprehensive EIAs to be submitted. However, R&D shall consult with the DoESD to confirm this.

2.3 World Bank Standards and Key Gaps with the National Framework

The project will follow the World Bank Environmental and Social Standards⁴ (ESSs), as well as the World Bank Group Environmental, Health and Safety Guidelines⁵. Based on these policies, the environmental and social risk of the project is categorized as ‘moderate’.

The World Bank’s environmental and social standards applicable to project activities are summarized in Table 3.

Table 3 - Relevant World Bank ESS and Key Gaps with the FSM National and State Framework

E&S Standard	Relevance	Equivalence and Gap Filling
1. Assessment and Management of Environmental and Social Risks and Impacts	ESS1 is relevant. Key environmental and social risks relate to occupational and community health and safety from civil works, sourcing of aggregates for activities related to enhancing the resilience of existing distribution networks, waste management, ground and waterway pollution, and real or perceived inequality in accessing project benefits.	Partial equivalence. ESS1 and FSM national and state requirements would need to be followed for ESA and preparation of instruments. Where possible, instruments will be prepared to satisfy both WB and FSM requirements. In some instances, separate instruments will be prepared (for example where the timing or scale of the assessment is significantly different).
2. Labor and Working Conditions	ESS2 is relevant as the project is expected to involve both direct workers and contract workers. There are certain labor risks for project workers including (i) traffic and road safety issues (ii) occupational health and safety risks. Labor management procedures are included in Annex VI.	Partial equivalence. ESS2 requirements will be followed where there are gaps in local legislation, including preparation of the ARISE LMP.
3. Resource Efficiency and Pollution Prevention and Management	ESS3 is relevant to the project. Works are very small in scale, so resource demand will be low. However, the project will consider opportunities to conserve water, energy, and raw materials.	Partial equivalence. ESS3 requirements will be followed where there are gaps in local legislation.
4. Community Health and Safety	ESS4 is relevant. Risks related to community health and safety are considered minor and manageable due to the small nature of civil works, and may include community exposure to noise pollution, safety and traffic risks due to civil works taking place within public and community facilities including potential exposure to live wires and due	FSM has no specific health and safety regulations or policies relating to community well-being. ESS4 requirements will be followed where there are gaps in local legislation.

⁴ <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>

⁵ <https://www.ifc.org/en/insights-reports/2000/general-environmental-health-and-safety-guidelines>

	to trucks carrying construction materials, and exposure to communicable diseases.	
5. Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Project activities will require access to land, including for construction of mini-grids, rehabilitation of existing networks, and installation of solar PV panels. Proposed sites for solar PVs include rooftops of government and community buildings. Where possible, government land will be prioritized and no involuntary land acquisition is expected.	<p>Partial equivalence.</p> <p>The Environment Protection Act provides for the protection of the environment, culture, historic and natural aspects of Micronesian heritage. The EIA Regulations at national and state level requires actions that protect, restore, and enhance the environment.</p> <p>ESS5 requirements will be followed where there are gaps in local legislation, including preparation of the ARISE Land Access Procedures (LAP) to guide land access, including the completion of a land due diligence report(s) (LDDR), where required.</p>
6. Biodiversity Conservation and Sustainable Management of Living Natural Resources	ESS6 is only relevant in a precautionary manner. Works will preferentially be conducted in areas of highly modified urban habitat with no natural values, such as public buildings, car parks, and school facilities. Exact locations of the works are still to be determined.	<p>Partial equivalence.</p> <p>ESS6 requirements will be followed where there are gaps in local legislation.</p>
10. Stakeholder Engagement and Information Disclosure	ESS10 is relevant for all projects given the need to engage with beneficiaries and stakeholders on development activities that affect their lives.	<p>Partial equivalence.</p> <p>The EIA Regulations at national and state level involves a process which is intended to help the general public and government officials make decisions with the understanding of the environmental consequences of their decisions. ESS10 requirements will be followed where there are gaps in local legislation. Provisions have been included in the ARISE Projects SEP to comply with ESS10, and national legislation on public consultation, project information disclosure and grievance mechanism.</p>

2.3.1 World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines)

The following EHS guidelines are relevant to ARISE and have been used to guide the development of this ESMF:

- General Environmental, Health, and Safety (EHS) Guidelines
- Environmental, Health, and Safety Guidelines: Electric Power Transmission and Distribution

3 Environmental and Social Context

3.1 Socio-Economic

FSM is a dispersed archipelagic nation in the western part of the North Pacific Ocean. It comprises over 600 islands stretching 2,700 kilometers from west to east and is grouped into four semi-autonomous

states, from east to west; Kosrae, Pohnpei, Chuuk, and Yap. Each island or island group has its own language, customs, local government, and traditional system for managing marine resources.

FSM had a population of about 114,164 persons in 2022 (World Development Indicators, 2023) of which 47 percent live in Chuuk, 35 percent in Pohnpei, 11 percent in Yap, and 7 percent in Kosrae. A total of 77 percent lives in rural areas and the population is relatively young (with 35 percent below 15 years)⁶.

FSM's economy has experienced stagnant growth, with the International Monetary Fund estimating zero percent growth for FY2022-2023 and inflation reaching a decade high of 6.2 percent due to rising import prices for fuel and food, and supply chain bottlenecks. Despite this, FSM maintained robust external and fiscal positions, with substantial fiscal surpluses reducing public debt to 12.4 percent of Gross Domestic Product (GDP). The economy is projected to grow by 1.1 percent in FY2024, with further acceleration to 1.7 percent driven by a recovery in tourism and increased public spending, supported by higher grants from the new Compact of Free Association. However, FSM remains highly vulnerable to shocks such as global commodity price increases, labor shortages due to outward migration, and extreme climate events. Agriculture is the most important primary activity in the nation because of its contribution to employment, wage income, export earnings, and subsistence production. Copra remains the ubiquitous cash crop throughout the FSM.

3.2 Electricity Access

FSM faces significant challenges in its power sector, primarily due to its heavy reliance on diesel for power generation, low electricity access in Chuuk State, unreliable power supply in key grids, and weak institutional capacity. The power system comprises four main grids on the state main islands and mini/micro grids on some outer islands, with around 76 percent of households nationally having access to electricity. However, this national figure hides disparities, as two-thirds of Chuuk's households lack electricity and only two of Chuuk's 42 inhabited islands are electrified. Despite efforts to increase renewable energy, 81 percent of FSM's power generation still depends on imported diesel, making the economy vulnerable to fuel price fluctuations and threatening energy security.

Table 4 - FSM State Power, Water, and Sewerage Utilities

Utility	Establishing Law	Number of staff	Number of customers	Share of metered customers (%)	Tariff	
					Structure	Residential (US\$/kWh)
CPUC	The CPUC act (1996)	107	2,599	100	Uniform per Island	0.5068 (Weno) 0.5508 (Tonoas)
PUC	State Law 2L-179-91 (1991)	150	6,184		Uniform	0.3975
YSPSC	State Law 4-4 (1995)	90	2,064	99	Tiered	0.371-0.450
KUA	State Law 5-38 (1991)	20	1,903	13	Tiered	0.428 - 0.471

3.3 Gender Equality

FSM faces a significant gender gap in employment, with women underrepresented in the paid workforce and concentrated in the informal sector and lower-skilled jobs with lower pay. The 2013-14 Household Income and Expenditure Survey (HIES) revealed a labor force participation rate of 32.5 percent for women, compared to 67.8 percent for men, and a higher unemployment rate for women (13.9 percent) than men (5.4 percent). Women in the formal sector earned 13 percent less than men in 2015, and poverty rates

⁶ UNICEF, 2017. Situation Analysis of Children in the Federated States of Micronesia. UNICEF, Pacific Office, Suva.

were higher in female-headed households (50.5 percent) than male-headed ones (38.9 percent). Women's participation in high-level decision-making remains limited, with significant underrepresentation in government. To address these disparities, the FSM government adopted the National Gender Policy, which includes goals to tackle barriers facing women in the workforce. However, more comprehensive efforts are needed to address gender inequality, particularly in the energy sector and utilities.

3.4 Vulnerable Groups

Around 30 per cent of households in FSM live below the basic needs poverty line, with trends pointing to an increase in poverty. Existing data suggests that poverty particularly affects children and female-headed households, and that poverty rates are significantly lower in Yap than in the other three states.

Women and girls in FSM are vulnerable to sexual exploitation and abuse. The 2014 Family Health and Safety Study found that approximately 14 per cent of all women had experienced sexual abuse before the age of 15, with the most common perpetrators being male relatives and male friends⁷. FSM is considered a source, transit, and, to a limited extent, destination country for men, women, and children subjected to forced labor and sex trafficking. Girls are vulnerable to commercial sexual exploitation through prostitution by crew members of docked Asian fishing vessels, and some women from FSM may be trafficked to the USA and US territories⁸.

Violence against children, affecting up to 1 billion children globally, includes physical, sexual, emotional abuse, or neglect by parents, caregivers, peers, or strangers. Key risk factors are linked to lower education, low income, and poverty at individual, community, and societal levels⁹. In FSM, corporal punishment is widespread, with 32 per cent of children being subject to physical discipline in their household¹⁰. Customary marriages, which have no minimum age requirement, are permitted in FSM. The prevalence of child sexual abuse is reportedly highest in Kosrae (21.9 per cent) and lowest in Pohnpei (10.7 per cent), with prevalence in Chuuk and Yap at 16.9 per cent and 14.7 per cent, respectively. There have been reports of children trafficked by family members for commercial sex purposes, particularly to foreign fishermen and other seafarers¹¹.

3.5 Solid Waste Management

The state agencies carry out waste management based on the state codes. KIRMA (Kosrae) oversees environmental policy, environmental education, and promotion of recycling. Meanwhile, the Department of Transport and Infrastructure (DT&I) manages waste collection, transportation, and operation of the disposal site. Pohnpei Environmental Protection Agency (Pohnpei EPA) is responsible for planning environmental policies, and promoting environmental education and recycling. A private company is responsible for operation and management of the landfill site under the supervision of the Office of Transportation and Infrastructure (T&I). Chuuk Environmental Protection Agency (Chuuk EPA) is in charge of environmental policy planning and environmental education, while the Department of Transportation and Public Works (DT&PW) is in charge of waste collection and transportation, and operation and management of the disposal site. The Yap Environmental Protection Agency (Yap EPA) promotes environmental policy, environmental education, and recycling. On the other hand, the operation and

⁷ UNICEF, 2017. Situation Analysis of Children in the Federated States of Micronesia. UNICEF, Pacific Office, Suva

⁸ UNICEF, 2017. Situation Analysis of Children in the Federated States of Micronesia. UNICEF, Pacific Office, Suva

⁹ <https://www.who.int/news-room/fact-sheets/detail/violence-against-children> accessed 23/8/24

¹⁰ UNICEF, 2017. Situation Analysis of Children in the Federated States of Micronesia. UNICEF, Pacific Office, Suva

¹¹ UNICEF, 2017. Situation Analysis of Children in the Federated States of Micronesia. UNICEF, Pacific Office, Suva

management of waste collection, transportation, and disposal are carried out by a private company under the supervision of the Department of Public Works and Transportation (DPW&T)¹².

Three FSM states, excluding Chuuk, have set up semi-aerobic landfills with financial support of the Japanese government. Kosrae has a state-owned public disposal site of about 0.6-ha in the village of Tofol, Lelu Municipality (Tofol Landfill). While the Tofol Landfill was intended to receive wastes from all four of Kosrae’s municipalities, the lack of effective collection services means that with the exception of Lelu, wastes continue to be disposed of in uncontrolled local dumpsites¹³. In Pohnpei, the island of Dekehtik has a 4-ha public disposal site owned by the state government. The Dekehtik dumpsite operator provides waste collection service to commercial businesses, government institutions, and some residents. However, residents living in the other municipalities, not provided by public or private collection services, often resort to open burning or illegal dumping¹⁴. On Chuuk’s Weno Island, waste has been disposed of at a waste dump site near the port since 2016 (commonly known as the Marina Interim Dump Site) due to the closure of a former disposal site. While the majority of discharged waste (77%) is disposed of to the Marina site, an estimated 23% of discharged waste is improperly disposed to nearby open spaces¹⁵. Yap has a state-owned public disposal site built in the Colonia area with the support of the Japanese government. The landfill site area covers 8,370 m² and is divided into three sections; one old section used previously, and the other two are newly added sections constructed using the Fukuoka Method with the support of the Japanese government¹⁶. There are also several community dump sites in the municipalities on the main island of Yap. While an estimated 86% of discharged waste is disposed at the public landfill site, an estimated 14% of discharged waste is disposed at community dump sites¹⁷.

FSM also has a significant problem with end-of-life vehicles, old tires, and dumping of solid waste within coastal environments. Discarded heavy equipment (mainly water craft) is often dumped on reef flats. Although the quantity of such waste has not been fully ascertained, it is a common waste management challenge for all States¹⁸.

3.6 Biological Resources

FSM is home to some of the most biologically diverse forests and coral reefs in the world. The proximity of Micronesia to the Indo-Malay region and the relative nearness between the islands themselves enabled the high islands and reefs to act as bridges for the migration of terrestrial and marine species. The distance between islands also separated individual populations, causing high levels of endemism¹⁹. Each state in FSM has extensive forest cover, although on the low atoll islands, and the littoral slopes of the high islands, the forest cover is better described as an agro-forestry complex, with a scattered secondary forest on long-fallow within the traditional gardening system²⁰.

¹² SPREP, 2022. Solid Waste Management Country Profile Federated States of Micronesia

¹³ ADB, 2014. Solid Waste Management in the Pacific: The Federated States of Micronesia Country Snapshot

¹⁴ ADB, 2014. Solid Waste Management in the Pacific: The Federated States of Micronesia Country Snapshot

¹⁵ Government of Federated States of Micronesia, 2018. Chuuk State Solid Waste Management Strategy 2019 – 2028 (Action Plan: 2019-2023)

¹⁶ SPREP, 2022. Solid Waste Management Country Profile Federated States of Micronesia

¹⁷ Government of Federated States of Micronesia, 2018. Yap State Solid Waste Management Strategy 2018 – 2027 (Action Plan: 2018-2022)

¹⁸ SPREP, 2022. Solid Waste Management Country Profile Federated States of Micronesia

¹⁹ Federal and State Government. A Blueprint for Conserving the Biodiversity of the Federated States of Micronesia.

²⁰ <http://www.sprep.org/att/IRC/eCOPIES/Countries/FSM/7.pdf> accessed 26/8/2024

Terrestrial and marine biological resources and ecosystems are at threat from deforestation, erosion and sedimentation, pollution from agricultural and urban sources, upland farming of commercial and traditional crops, and overfishing / destructive fishing. Timber is cut for subsistence farmsteads for construction and firewood. Mangrove timber is used for handicrafts, and both upland and mangrove timber is used for furniture making²¹.

3.7 Natural Hazards and Climate Change Risks

FSM is highly vulnerable to natural hazards and climatic risks, including typhoons, rising sea levels, droughts, coastal erosion, and landslides, all exacerbated by climate change. Ranked as the third most at-risk country among Pacific Island Countries by the Global Climate Risk Index (2000-2019), FSM has faced significant fatalities and economic losses from extreme weather events. Catastrophic risk modeling by the World Bank predicts annual average losses of \$8 million from earthquakes and cyclones, with a 50 percent chance of losses exceeding \$105 million and casualties surpassing 220 in the next 50 years. Coastal power infrastructure is particularly at risk from flooding, storm surges, and high winds, with past typhoons like Sudal and Maysak causing widespread power outages in Yap, the State most at risk from typhoons. Rehabilitating and reinforcing the power distribution networks is essential to improving service reliability and resilience.

4 Potential Environmental and Social Risks, Impacts, and Standard Mitigation Measures

The environmental and social (E&S) risks for the project were screened by the World Bank at the concept stage and are considered moderate²², given that risks and impacts are expected to be temporary, predictable, and readily managed through standard design and mitigation measures. Project activities are expected to take place predominately in modified habitats and on disturbed or developed land except on outer islands where the land may be previously undeveloped, but the footprint of the works is expected to be small. The solar PV works are expected to be small in scale and highly localized to existing buildings/footprints/grounds. Distribution networks will be within existing utility corridors which are already heavily disturbed. Potential environmental and social risks arise primarily in relation to civil works associated with the construction of mini-grids, installation of grid-connected solar PVs, and upgrades and rehabilitation of distribution networks. Effective supervision across all FSM states will be crucial to mitigate these risks.

4.1 Summary of Main Environmental Risks

The environmental risk is considered moderate since the project activities are small-scale, not highly complex, and located away from sensitive areas. Risks are mainly related to the minor civil works, and include:

- (i) Sourcing of limited resources e.g. aggregates;
- (ii) Water pollution due to uncontrolled run off which could involve contaminants such as sediment, construction materials, fuels, oils, and chemicals that can harm aquatic life and impact water quality;

²¹ <http://www.sprep.org/att/IRC/eCOPIES/Countries/FSM/7.pdf> accessed 26/8/2024

²² <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099062624004510663/p1812531c5130b0a81a25f1a7aff6702cbb>

- (iii) Soil and/or water pollution from the incorrect handling, storage, and disposal of waste, including hazardous wastes;
- (iv) Air pollution from uncontrolled dust;
- (v) Noise and vibration from machinery;
- (vi) Traffic safety concerns;
- (vii) Worker's health and safety concerns;
- (viii) Community health and safety concerns; and
- (ix) TA(s) leading to potential downstream environmental impacts.

However, the nature and magnitude of the above mentioned direct and indirect environmental impacts are considered to be temporary, site specific, predictable, and reversible if the relevant mitigation measures are properly implemented. The potential environmental risks are expected to be site specific and can be mitigated through E&S screening, and preparation and/or implementation of activity specific E&S risk management instruments, such as Environmental and Social Codes of Practice (ESCOPs) and site-specific Environmental and Social Management Plans (ESMPs).

4.2 Summary of Main Social Risks

The social risks are considered moderate. No major social risks have been identified. The project aims to improve electricity reliability in FSM and reduce diesel reliance, leading to positive social outcomes.

Potential significant social risks and impacts include:

- (i) Inequality or perceived inequality in accessing project benefits;
- (ii) Increases in gender based violence (GBV), sexual exploitation and abuse and sexual harassment (SEA/SH), and violence against children (VAC);
- (iii) Compliance risks associated with the use of labor;
- (iv) Potential forced labor in the supply chain for solar panels;
- (v) Managing expectations and inadequate stakeholder engagements;
- (vi) Potential impact on private land to install ground mounted Solar PVs; and
- (vii) Potential losses of assets and crops in road side reserves.

The potential social risks that may occur are expected to be site specific and can be mitigated through E&S screening and the implementation of Project E&S instruments which include Land Access Procedures (LAP, Annex V), Labor Management Procedures (LMP, Annex VI), a Project grievance mechanism (GM), and a stand-alone SEP. The project will primarily use government or energy utility-leased land, and through use of existing rooftops of schools and government buildings which may require land access agreements, with no expected involuntary resettlement.

4.3 Potential Positive Environmental and Social Impacts

While the small-scale civil works have moderate potential E&S risks and impacts, these efforts are anticipated to yield positive outcomes overall, improving the resilience of electricity supply and providing and improving electricity services for FSM residents. Potential positive E&S impacts include:

- (i) Reduced air pollution and climate change impacts from increasing renewable energy generation.
- (ii) Decreased reliance on non-renewable energy sources (i.e., imported diesel).
- (iii) Access in power promote health, education and economic facilities

4.4 Preliminary Risk Analysis

The following tables provide a preliminary analysis of the type of project activities identified, the potential social and environmental impacts that may result from these activities, the key mitigation methods for residual impacts, and the environmental and social risk management tools that are required to be developed and/or followed.

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Table 5 – Environmental and Social Risks and Mitigation Measures: Solar-powered Mini Grids

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning and Design Stage</p>	<p>Vulnerable groups access to electricity: marginalized, high-risk and/or vulnerable social groups (poor, disabled, elderly, women, children, or isolated groups) are unable to access services or are endangered by the design.</p> <p>Low sense of ownership and/or lack of cooperation of key agencies due to lack of involvement during the project planning and design.</p> <p>Location of activities requires temporary or permanent land acquisition.</p> <p>Incorrect design and/or siting which poses a risk to land and/or marine biodiversity, alters natural coastal habitats, disrupts coastal ecosystems, interrupts coastal or riverine processes, and/or negatively impacts cultural heritage.</p> <p>Procurement of solar panels contributes to the use of forced and/or child labor.</p>	<p>Consultations must be undertaken in a culturally appropriate way to ensure that individuals or groups, including women and youth, who, because of their circumstances, may be disadvantaged or vulnerable, have access to project benefits.</p> <p>Consultation with key agencies shall be undertaken in a culturally appropriate way, including use of local languages, to ensure that key agencies are involved in activity planning, siting, and design.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>Installations will preferentially occur on land that is confirmed to be government owned or energy utility-leased, to be confirmed by PIU during implementation, before any physical works are undertaken. If private land is required, the PIU, supported by CIU Safeguards Team, will follow the consultation procedures outlined in the Land Access Procedures (LAP) (Annex V) and prepare LDDRs (where required).</p> <p>The PIU, supported by CIU Safeguards Team, will screen the activities for potential negative E&S risks and impacts using the screening checklist in Annex I, as activities are proposed. The PIU, supported by the CIU Safeguards Team, will develop the activity level instruments identified through the screening process (e.g., site specific ESMP, Land Due Diligence Report Plan (LDDR)), as required</p> <p>To ensure that solar panels are not procured from suppliers who utilize forced or child labor, the PIU, supported by CIU Safeguards Team, shall require all bidders to provide two declarations: a Forced Labour Performance Declaration (which covers past performance), and a Forced Labour Declaration</p>	<ul style="list-style-type: none"> - Follow the relevant measures included in the SEP - GM is operational - Follow LAP (Annex V) - ESCOP,/ site-specific ESMP (WB) as defined through the screening process (Annex I)

		<p>(which covers future commitments to prevent, monitor and report on any forced labor, cascading the requirements to their own sub-contractors and suppliers). The PIU, supported by CIU Safeguards Team, shall review these declarations as part of the bidding process. In addition, the PIU shall include enhanced language on forced labor in the procurement contracts. The WB will prior review procurements of solar panels and components to help ensure that these enhanced provisions are followed.</p>	
<p>Construction Stage</p>	<p>FSM National and State EIA Permitting: permit(s) may be required for mini-solar grid systems.</p> <p>Civil Works: Civil works may generate limited adverse environmental and social impacts such as land clearance; consumption of resources including aggregate, water and energy; nuisances from dust, noise, vibration; pollution from erosion and uncontrolled sediment; minor hydrocarbon spills; minor greenhouse gas emissions; and traffic obstruction.</p> <p>Wastes including hazardous wastes: Incorrect waste disposal causing negative impacts to soil and groundwater and/or on community or worker health.</p> <p>Occupational Health and Safety (OHS): Installation activities pose various OHS risks such as working at heights (on roofs), and sprains, strains, cuts, and crush injuries, and sea safety.</p> <p>Community health and safety: Installation activities pose a risk to community members through increased</p>	<p>The PIU, supported by CIU Safeguards Team, will follow the FSM State EIA permitting processes.</p> <p>The PIU, supported by CIU Safeguards Team, will complete the Activity Screening Form (Annex I), to screen for E&S risks and determine what E&S risk management instrument(s) are to be developed (site-specific ESMP) or followed (ESCAP), to manage the identified risks, once scope of works are known.</p> <p>If required, the PIU, supported by CIU Safeguards Team, develops the site-specific ESMP(s) as determined by the screening, prior to the commencement of the activities. All site-specific ESMP to be included in all works tendering documents.</p> <p>Contractor(s) ESMP (C-ESMP) to be prepared and submitted to the PIU for approval before any physical works are undertaken. Construction company to maintain adequate sanitation facilities onsite (e.g. a Portaloo) and submit waste and recycling and worker training records for review by the PIU, as requested.</p> <p>Labour issues including working conditions, OHS, SEA/SH, addressed in Project’s LMP (Annex VI). Implementation of Code of Conduct. Provide separate facilities for female and male workers. Youth under the age of 18 cannot work on the project. The use of forced, child, or conscripted labor on the project is prohibited.</p>	<ul style="list-style-type: none"> - Follow the FSM state EIA permitting processes. - Complete Activity Screening Form (Annex I) and follow ESCOP(s) (Annex II) or prepare site-specific ESMP (as determined by the screening) - C-ESMP (contractor) - Follow LMP (Annex VI) - Follow SEP. Prepare SECAP. - GM operational - CFPs (Annex VII) in place

	<p>noise, dust, and traffic; community exposure to health issues such as water-borne and vector-borne diseases; incorrect handling and disposal of hazardous materials; potential exposure to live electricity wires; emergency events related to natural disaster and climate risks; increased SEA/SH of women or girls by project workers, increased VAC, labor working conditions risks e.g. the use of child labor.</p> <p>Cultural heritage impacts: Damage or encroachment into precious ecological, archaeological, cultural, or historical sites.</p> <p>Unexploded Ordnance (UXO) chance finds.</p>	<p>The PIU, supported by the CIU Safeguards Team, will refer to the project’s SEP to ensure widespread engagement with communities – including its more vulnerable. The PIU will prepare activity level Stakeholder Engagement and Communication Action Plan (SECAPs).</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances. Chance Finds Procedures (CFP) for Cultural Heritage and UXOs in place prior to any physical works commencing (Annex IX).</p>	
<p>End of Life</p>	<p>Land and/or water pollution from inappropriate disposal of solar panels and battery storage systems at end of life.</p>	<p>Solar Panel disposal will be to a facility permitted to accept such waste for safe disposal, to be verified by PIU, supported by the CIU Safeguards Team.</p>	<p>Verify disposal</p>

Table 6 – Environmental and Social Risks and Mitigation Measures: Solar-PV Systems in Chuuk, Pohnpei, and Yap

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning and Design Stage</p>	<p>Vulnerable groups access to electricity: Marginalized, high-risk and/or vulnerable social groups (poor, disabled, elderly, women, children, or isolated groups) are unable to access services or are endangered by the design.</p> <p>Low sense of ownership and/or lack of cooperation of key agencies due to lack of involvement during the project planning and design.</p> <p>Location of activities requires temporary or permanent land acquisition.</p> <p>Incorrect design and/or siting which requires land clearance, poses a risk to terrestrial biodiversity, disrupts ecosystems, and/or negatively impacts cultural heritage.</p> <p>Procurement of solar panels contributes to the use of forced and/or child labor.</p>	<p>Consultations must be undertaken in a culturally appropriate way to ensure that individuals or groups, including women and youth, who, because of their circumstances, may be disadvantaged or vulnerable, have access to project benefits.</p> <p>Consultation with key agencies shall be undertaken in a culturally appropriate way including use of local languages to ensure that key agencies are involved in activity planning, siting, and design. Yap State has a clear traditional pathway for accessing stakeholders, especially communities, that needs to be followed.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>Installations will preferentially occur on land that is confirmed to be government owned or energy utility-leased, to be confirmed by PIU during implementation, before any physical works are undertaken. If private land is required, the PIU, supported by CIU Safeguards Team, will follow the consultation procedures outlined in the LAP (Annex V) and prepare LDDRs (where required).</p> <p>The PIU, supported by CIU Safeguards Team, will screen the activities for potential negative E&S risks and impacts using the screening checklist in Annex I, as activities are developed. The PIU, supported by the CIU Safeguards Team, will develop the activity level instruments identified through the screening process (e.g., site specific ESMP, LDDR) as required.</p> <p>To ensure that solar panels are not procured from suppliers who utilize forced or child labor, the PIU, supported by CIU Safeguards Team, shall require all bidders to provide two declarations: a Forced Labour Performance Declaration (which</p>	<ul style="list-style-type: none"> - Follow the relevant measures included in the SEP - GM is operational - Follow LAP (Annex V) - ESCOP/site-specific ESMP (WB) as defined through the screening process (Annex I)

		<p>covers past performance), and a Forced Labour Declaration (which covers future commitments to prevent, monitor and report on any forced labor, cascading the requirements to their own sub-contractors and suppliers). The PIU, supported by CIU Safeguards Team, shall review these declarations as part of the bidding process. In addition, the PIU shall include enhanced language on forced labor in the procurement contracts. The WB will prior review procurements of solar panels and components to help ensure that these enhanced provisions are followed.</p>	
<p>Construction Stage</p>	<p>FSM National and State EIA Permitting: permit(s) may be required for solar PV systems.</p> <p>Civil Works: Civil works that may generate limited adverse environmental and social impacts such as land clearance; consumption of resources including aggregate; nuisances from dust, noise, vibration; pollution from erosion and uncontrolled sediment; minor hydrocarbon spills; and traffic obstruction.</p> <p>Wastes including hazardous wastes: Incorrect waste disposal causing negative impacts to soil and groundwater and/or on community or worker health.</p> <p>Occupational Health and Safety (OHS): Installation activities pose various OHS risks such as working at heights (on roofs), and sprains, strains, cuts, and crush injuries etc., sea safety.</p> <p>Community health and safety: Installation activities pose a risk to</p>	<p>The PIU, supported by CIU Safeguards Team, will follow the FSM state EIA permitting processes.</p> <p>The PIU, supported by CIU Safeguards Team, to complete the Activity Screening Form (Annex I), to screen for E&S risks and determine what E&S risk management instrument(s) are to be developed (site-specific ESMP) or followed (ESCOP) to manage the identified risks, once scope of works are known.</p> <p>If required, the PIU, supported by CIU Safeguards Team, develops the site-specific ESMP as determined by the screening, prior to the commencement of the activities. All site-specific ESMP(s) to be included in all works tendering documents.</p> <p>Contractor(s) ESMP (C-ESMP) to be prepared and submitted to the PIU for approval before any physical works are undertaken. Construction company to maintain sanitation facilities onsite (e.g. a Portaloo) and submit waste and recycling and worker training records for review by the PIU, as requested.</p> <p>Labour issues including working conditions, OHS, SEA/SH, addressed in Project’s LMP (Annex V). Implementation of Code of Conduct. Provide separate facilities for female and male workers. Youth under the age of 18 cannot work on the project. The use of forced, child, or conscripted labor on the project is prohibited.</p>	<ul style="list-style-type: none"> - Follow the FSM State EIA permitting processes. - Complete Activity Screening Form (Annex I) and follow ESCOP(s) (Annex II) or prepare site-specific ESMP (as determined by the screening) - C-ESMP (contractor) - Follow LMP (Annex VI) - Follow the relevant measures included in the SEP. Prepare SECAP. - GM is operational - CFPs (Annex VII) in place

	<p>community members through increased noise, dust, and traffic; community exposure to health issues such as water-borne and vector-borne diseases; incorrect handling and disposal of hazardous materials; potential exposure to live electricity wires; emergency events related to natural disaster and climate risks; increased SEA/SH of women or girls by project workers, increased VAC, labor working conditions risks e.g. the use of child labor.</p> <p>Cultural heritage impacts: Damage or encroachment into precious ecological, archaeological, cultural, or historical sites.</p> <p>UXO chance finds.</p>	<p>The PIU, supported by the CIU Safeguards Team, will refer to the project’s SEP to ensure widespread engagement with communities – including its more vulnerable. The PIU will prepare activity level SECAPs.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>CFPs for Cultural Heritage and UXOs in place prior to any physical works commencing (Annex IX).</p>	
<p>End of Life</p>	<p>Land and/or water pollution from inappropriate disposal of solar panels and battery storage systems at end of life.</p>	<p>Solar Panel disposal will be to a facility authorized (permitted) to accept such waste for safe disposal, to be verified by PIU, supported by the CIU Safeguards Team.</p>	<p>Verify disposal</p>

Table 7 – Environmental and Social Risks and Mitigation Measures: Distribution Grid Rehabilitations in Kosrae and Pohnpei

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning and Design Stage</p>	<p>Vulnerable groups access to electricity: Marginalized, high-risk and/or vulnerable social groups (poor, disabled, elderly, women, children, or isolated groups) are unable to access services or are endangered by the design.</p> <p>Low sense of ownership and/or lack of cooperation of key agencies due to lack of involvement during the project planning and design.</p> <p>Location of activities requires temporary or permanent land acquisition.</p> <p>Incorrect design and/or siting which requires land clearance, poses a risk to terrestrial biodiversity, disrupts ecosystems, and/or negatively impacts cultural heritage.</p>	<p>Consultations must be undertaken in a culturally appropriate way to ensure that individuals or groups, including women and youth, who, because of their circumstances, may be disadvantaged or vulnerable, have access to project benefits.</p> <p>Consultation with key agencies shall be undertaken in a culturally appropriate way, including use of local languages, to ensure that key agencies are involved in activity planning, siting, and design.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>Installations will preferentially occur on land that is confirmed to be government owned or energy utility-leased, to be confirmed by PIU during implementation, before any physical works are undertaken. If private land is required, the PIU, supported by CIU Safeguards Team, will follow the consultation procedures outlined in the LAP (Annex V) and prepare LDDRs (where required).</p> <p>The PIU, supported by CIU Safeguards Team, will screen the activities for potential negative E&S risks and impacts using the screening checklist in Annex I, as activities are developed. The PIU, with CIU Safeguards Team support, will develop the activity level instruments identified through screening process (e.g., site specific ESMP, LDDR), as required.</p>	<ul style="list-style-type: none"> - Follow the relevant measures included in the SEP. - GM is operational. - Follow LAP (Annex V) - ESCOP/ site-specific ESMP (WB) as defined through the screening process (Annex I)
<p>Construction Stage</p>	<p>FSM National and State EIA Permitting: permit(s) may be required if works are located in coastal areas or in/over waterways. This is to be determined in consultation with DoESD.</p>	<p>The PIU, supported by CIU Safeguards Team, will follow the FSM State EIA permitting processes., The PIU, supported by CIU Safeguards Team, to complete the Activity Screening Form (Annex I), to screen for E&S risks and determine what E&S risk management instrument(s) are to be developed (site-specific</p>	<ul style="list-style-type: none"> - Follow the FSM state EIA permitting processes. - Complete Activity Screening Form (Annex I) and follow ESCOP(s) (Annex II) or prepare

	<p>Civil Works: Civil works that may generate limited adverse environmental and social impacts such as land clearance; extraction of materials; nuisances from dust, noise, vibration; pollution from erosion and uncontrolled sediment; minor hydrocarbon spills; minor greenhouse gas emissions; and traffic obstruction.</p> <p>Wastes including hazardous wastes: Incorrect waste disposal causing negative impacts to soil and groundwater and/or on community or worker health.</p> <p>Occupational Health and Safety (OHS): Installation activities pose various OHS risks such as working at heights (up ladders), and sprains, strains, cuts, and crush injuries etc., sea safety.</p> <p>Community health and safety: Installation activities pose a risk to community members through increased noise, dust, and traffic; community exposure to health issues such as water-borne and vector-borne diseases; incorrect handling and disposal of hazardous materials; potential exposure to live electricity wires; emergency events related to natural disaster and climate risks; increased SEA/SH of women or girls by project workers, increased VAC, labor working conditions risks e.g. the use of child labor.</p> <p>Cultural heritage impacts: Damage or encroachment into precious ecological,</p>	<p>ESMP) or followed (ESCOP) to manage the identified risks, once scope of works are known.</p> <p>If required, the PIU, supported by CIU Safeguards Team, develops the site-specific ESMP as determined by the screening, prior to the commencement of the activities. All site-specific ESMP to be included in all works tendering documents.</p> <p>Contractor(s) ESMP (C-ESMP) to be prepared and submitted to the PIU for approval before any physical works are undertaken. Construction company to maintain sanitation facilities onsite (e.g., a Portaloo) and submit waste and recycling and worker training records for review by the PIU, as requested.</p> <p>Labour issues including working conditions, OHS, SEA/SH, addressed in Project’s LMP (Annex V). Implementation of Code of Conduct. Provide separate facilities for female and male workers. Youth under the age of 18 cannot work on the project. The use of forced, child, or conscripted labor on the project is prohibited.</p> <p>The PIU, supported by the CIU Safeguards Team, will refer to the project’s SEP to ensure widespread engagement with communities – including its more vulnerable. The PIU will prepare activity level SECAPs.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>CFPs for Cultural Heritage and UXOs in place prior to any physical works commencing (Annex IX).</p>	<p>site-specific ESMP (as determined by the screening).</p> <ul style="list-style-type: none"> - C-ESMP (contractor) - Follow LMP (Annex VI) - Follow the relevant measures included in the SEP. Prepare SECAPs. - GM is operational. - CFPs (Annex VII) in place
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	archaeological, cultural, or historical sites. UXO chance finds.		
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Table 8 – Environmental and Social Risks and Mitigation Measures: Distribution Link Upgrades in Yap

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning and Design Stage</p>	<p>Vulnerable groups access to electricity: Marginalized, high-risk and/or vulnerable social groups (poor, disabled, elderly, women, children, or isolated groups) are unable to access services or are endangered by the design.</p> <p>Low sense of ownership and/or lack of cooperation of key agencies due to lack of involvement during the project planning and design.</p> <p>Location of activities requires temporary or permanent land acquisition.</p> <p>Incorrect design and/or siting which requires land clearance, poses a risk to terrestrial biodiversity, disrupts ecosystems, and/or negatively impacts cultural heritage.</p>	<p>Consultations must be undertaken in a culturally appropriate way, including use of local languages, to ensure that individuals or groups, including women and youth, who, because of their circumstances, may be disadvantaged or vulnerable, have access to project benefits. Yap State has a clear traditional pathway for accessing stakeholders, especially communities, that needs to be followed.</p> <p>Consultation with key agencies shall be undertaken in a culturally appropriate way to ensure that key agencies are involved in activity planning, siting, and design.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>Installations will preferentially occur on land that is confirmed to be government owned or energy utility-leased, to be confirmed by PIU during implementation, before any physical works are undertaken. If private land is required, the PIU, supported by CIU Safeguards Team, will follow the consultation procedures outlined in the LAP (Annex V) and prepare LDDRs (where required).</p> <p>The PIU, supported by CIU Safeguards Team, will screen the activities for potential negative E&S risks and impacts using the screening checklist in Annex I, as activities are developed. The PIU, supported by the CIU Safeguards Team, will develop the activity level instruments identified through the screening process.</p>	<ul style="list-style-type: none"> - Follow the relevant measures included in the SEP. - GM is operational. - Follow LAP (Annex V) - ESCOP/ site-specific ESMP (WB) as defined through the screening process (Annex I)
<p>Construction Stage</p>	<p>FSM National and State EIA Permitting: permit(s) may be required if works are located in coastal areas or in/over</p>	<p>The PIU, supported by CIU Safeguards Team, will consult with the DoESD to determine if EIA permitting processes must be followed.</p>	<ul style="list-style-type: none"> - Consult with DoESD and obtain EIA permit(s) (if required).

	<p>waterways. This is to be determined in consultation with DoESD.</p> <p>Civil Works: Civil works that may generate limited adverse environmental and social impacts such as land clearance; extraction of materials; nuisances from dust, noise, vibration; pollution from erosion and uncontrolled sediment; minor hydrocarbon spills; and traffic obstruction.</p> <p>Wastes including hazardous wastes: Incorrect waste disposal causing negative impacts to soil and groundwater and/or on community or worker health.</p> <p>Occupational Health and Safety (OHS): Installation activities pose various OHS risks such as working at heights (on roofs), and sprains, strains, cuts, and crush injuries etc., sea safety.</p> <p>Community health and safety: Installation activities pose a risk to community members through increased noise, dust, and traffic; community exposure to health issues such as water-borne and vector-borne diseases; incorrect handling and disposal of hazardous materials; potential exposure to live electricity wires; emergency events related to natural disaster and climate risks; increased SEA/SH of women or girls by project workers, increased VAC, labor working conditions risks e.g. the use of child labor.</p>	<p>The PIU, supported by CIU Safeguards Team, to complete the Activity Screening Form (Annex I), to screen for E&S risks and determine what E&S risk management instrument(s) are to be developed (site-specific ESMP) or followed (ESCOP) to manage the identified risks.</p> <p>If required, the PIU, supported by CIU Safeguards Team, develops the site-specific ESMP as determined by the screening, prior to the commencement of the activities.</p> <p>Contractor(s) ESMP (C-ESMP) to be prepared and submitted to the PIU for approval before any physical works are undertaken. Construction company to maintain sanitation facilities onsite (e.g., a Portaloo) and submit waste and recycling and worker training records for review by the PIU, as requested.</p> <p>Labour issues including working conditions, OHS, SEA/SH, addressed in Project's LMP (Annex V). Implementation of Code of Conduct. Provide separate facilities for female and male workers. Youth under the age of 18 cannot work on the project. The use of forced, child, or conscripted labor on the project is prohibited.</p> <p>The PIU, supported by the CIU Safeguards Team, will refer to the project's SEP to ensure widespread engagement with communities – including its more vulnerable. The PIU will prepare activity level SECAPs.</p> <p>Project GM available, and awareness of it raised, to enable all stakeholders, including members of marginalized groups, to raise project related concerns and grievances.</p> <p>CFP for Cultural Heritage and UXOs in place prior to any physical works commencing (Annex IX).</p>	<ul style="list-style-type: none"> - Complete Activity Screening Form (Annex I) and follow ESCOP(s) (Annex II) or prepare site-specific ESMP (as determined by the screening) - C-ESMP (contractor) - Follow LMP - Follow the relevant measures included in the SEP. Prepare SECAP. - GM is operational. - CFPs (Annex VII) in place
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	<p>Cultural heritage impacts: Damage or encroachment into precious ecological, archaeological, cultural, or historical sites.</p> <p>UXO chance finds.</p>		
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Table 9 – Environmental and Social Risks and Mitigation Measures: Equipment and Tools

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
Procurement Stage	<p>Failures in procurement processes e.g. equipment that is inappropriate and could lead to:</p> <ul style="list-style-type: none"> • Health & safety risks to workers. • Adverse environmental harm. 	<p>Due diligence and assessments will be undertaken by PIU, supported by CIU Safeguards Team, regarding the purchase of equipment to ensure correct fit for purpose equipment and is procured to FSM standards.</p>	<p>Review of procurement reports</p> <p>Site inspection</p>
Operational Stage	<p>General OHS risks for staff using equipment such as bucket trucks, excavators, tree pruning trucks, etc. e.g. vehicle and pedestrian interactions.</p> <p>Lack of maintenance causing OHS impacts for staff.</p>	<p>State agencies using equipment to develop and follow health and safety plan for equipment use.</p> <p>To ensure sustainability of the equipment purchased through the Project, the PIU will ensure adequate maintenance budget is included in the State agencies annual budget appropriation.</p>	<p>State Agency H&S Plan(s)</p>

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Table 10 – Environmental and Social Risks and Mitigation Measures: Community Outreach Programs

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning Stage</p>	<p>Outcomes that are contrary to participants well-being and/or programs have adverse environmental and/or social impacts.</p> <p>Exclusion of disadvantaged and vulnerable households.</p> <p>Negative reaction to perceived unfairness of community and project participants access to Project programs.</p>	<p>Environmental, social, and health and safety best practices incorporated into community outreach programs.</p> <p>Provide transparent information on program activities, benefits, and eligibility criteria to communities, through accessible channels, trusted intermediaries, and in relevant ethnic languages. Proactively identify, consult with, and reach out to disadvantaged and vulnerable groups and households (through surveys, consultations, or other means, as appropriate).</p> <p>GM to address concerns.</p>	<p>- Follow the relevant measures included in the SEP.</p> <p>- GM is operational.</p>

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Table 11 – Environmental and Social Risks and Mitigation Measures: Technical Advisories

Activity Stage	Significant Potential Risks and Impacts	Key Mitigation Methods	E&S Risk Management Tools
<p>Planning Stage</p>	<p>Outcomes that are contrary to workers’ or community well-being and/or activities have adverse environmental impacts.</p> <p>Downstream impacts that are contrary to good environmental and social risk management and community well-being, and/or increases risks of SEA/SH, VAC.</p> <p>Negative reaction to perceived unfairness of workers’ access to training.</p>	<p>Environmental, social, and health and safety best practices incorporated into capacity building and internship programs.</p> <p>Project objectives and operational strategies clearly communicated through SEP in a culturally appropriate way, to address any perception of inequitable access to training.</p> <p>GM to address concerns regarding distribution of project benefits.</p> <p>As a minimum, the PIU, supported by CIU Safeguards Team to participate in the development of TA Terms of Reference (TORs).</p> <p>TORs for technical studies to reflect key E&S mitigation management and the requirement for meaningful stakeholder and citizen engagement. Example E&S risk management clauses for technical advisory TORs can be found in Annex VIII.</p> <p>For technical studies influencing downstream physical investments, include E&S screening and scoping processes into the TOR, to be reviewed by the PIU, supported by CIU Safeguards Team.</p> <p>WB E&S specialists to review consultancy TORs to provide a ‘No Objection’ prior to finalization to ensure consistency with WB ESSs and GIIP.</p>	<p>- Follow the relevant measures included in the SEP.</p> <p>- GM is operational.</p>
<p>Operational Stage</p>	<p>Potential risks associated with labor and working conditions including OHS risks</p>	<p>Labour issues including working conditions, OHS, SEA/SH, addressed in Project’s LMP (Annex VI).</p> <p>The PIU, supported by CIU Safeguards Team will review any interim and progress reports to ensure that E&S mitigation measures are in place.</p> <p>The PIU, supported by CIU Safeguards Team, will review the TA outcomes for compliance with the ESMF, project exclusion list (Table 13), FSM law, and consistency with WBG EHS Guidance for the Energy Sector, the WB ESSs, and GIIP.</p>	<p>Follow LMP (Annex VI)</p>

		WB E&S specialists to review consultancy outputs to provide a 'No Objection' prior to finalization to ensure consistency with WB ESSs and GIIP.	
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5 Procedures to Address Environmental and Social Issues

5.1 Overview of Environmental and Social Risk Management Procedures

The screening processes outlined in this section will be used to screen ARISE activities for potential E&S risks and to identify the E&S risk management tools that need to be prepared and/or followed. The E&S risk management procedures will be implemented through the Project's subproject selection process, as they are defined by the project team(s) and/or during annual work planning.

Table 12 - Project Cycle and E&S Management Procedures

Project Stage	E&S Stage	E&S Management Procedures
a. Assessment and Analysis: Subproject identification	Screening	<ul style="list-style-type: none"> - During subproject identification, ensure subproject eligibility by first referring to the Exclusion List in Table 13. - For all civil works activities, use the Activity Screening Form in Annex 1 to identify and assess potential environmental and social risks and impacts, and identify the E&S risk management tools that need to be prepared and/or followed. - The screening outcomes should be discussed with the project team and design personnel to identify ways to reduce or avoid adverse impacts. Any adjustments to the design, categorization, or E&S risk management tool(s) can be refined after this step. - Follow the FSM national and state EIA permitting processes.
b. Formulation and Planning: Planning for subproject activities, including human and budgetary resources and monitoring measures	Planning	<ul style="list-style-type: none"> - Based on the completed Activity Screening Form adopt and/or prepare the relevant E&S procedures and plans. - For civil works activities requiring site-specific ESMPs to be prepared, submit finals for review and no objection by the World Bank, prior to initiating bidding processes (for subprojects involving bidding processes) and/or launching activities (for subproject activities not subject to bidding). - Ensure that the contents of the site-specific ESMPs, or ECSOPs are shared with relevant stakeholders in an accessible manner and consultations are held with the affected communities in accordance with the SEP. - Follow relevant State EIA processes and complete EIA permitting (if relevant). - Train staff responsible for implementation and monitoring of E&S plans. - Incorporate relevant E&S procedures and plans into contractor bidding documents; train contractors on relevant E&S procedures and plans.

		<ul style="list-style-type: none"> - Determine if procurement is required for the activity. If yes then ESHS provisions must be incorporated into bidding documents, in accordance with the World Bank Procurement Framework
<p>c. Implementation and Monitoring: Implementation support and continuous monitoring for projects</p>	Implementation	<ul style="list-style-type: none"> - Ensure implementation of E&S plans through site visits, regular reporting from the field, and other planned monitoring. Record and report all information. - Ensure Chance Finds Procedures are in place (Annex VII) - Track grievances/beneficiary feedback. - Continue awareness raising and/or training for relevant staff, volunteers, contractors, communities.
<p>d. Review and Evaluation: Qualitative, quantitative, and/or participatory data collection on a sample basis</p>	Completion	<ul style="list-style-type: none"> - Assess whether E&S plans have been effectively implemented. - Ensure that physical sites are properly restored.

5.1.1 Sub-component Activity Assessment and Analysis – E&S Screening

Feasibility Stage – Screen Activity for Eligibility

As a first step, all proposed activities should be screened to ensure that they are within the boundaries of the Project’s eligible activities, and they are not considered as activities listed on the Exclusion List in Table 13:

Table 13 – ARISE Project Exclusion List

The following type of activities shall not be eligible for financing under the Project:

- Any construction in protected areas or priority areas for biodiversity conservation, as defined in national or state law;
- Activities that cause significant negative impact on sensitive ecosystems / habitats, or cause significant environmental impacts that cannot be mitigated, or require complex mitigation measures, or requires the preparation of an Environmental Impact Assessment (EIA) or Environmental and Social Impact Assessment (ESIA);
- Activities that have the potential to cause any significant loss or degradation of critical natural habitats, whether directly or indirectly, or which would lead to adverse impacts on natural habitats;
- Activities that would lead to conversion or degradation of critical forest areas and clearing of forests or forest ecosystems;
- Activities affecting protected areas (or buffer zones thereof), other than to rehabilitate areas damaged by previous natural disasters or anthropogenic causes;
- Activities that will cause, or have the potential to result in, permanent and/or significant damage to nonreplicable cultural property, irreplaceable cultural relics, historical buildings, and/or archaeological sites;
- Any activity affecting physical cultural heritage such as graves, temples, churches, historical relics, archeological sites, or other cultural structures;
- Activities that do not meet minimum design standards with poor design or construction quality, particularly if located in vulnerable areas;
- Investments that may have potential to increase water use conflict between upstream and downstream populations;
- Activities that may cause or lead to forced labor or child abuse, child labor exploitation or human trafficking, or subprojects that employ or engage children, over the minimum age of 14 and under the age of 18, in connection with the project in a manner that is likely to be hazardous or interfere with the child’s education or be harmful to the child’s health or physical, mental, spiritual, moral, or social development;
- Activities that present a considerable sexual exploitation, abuse, and sexual harassment (SEA/SH), gender-based violence (GBV), child endangerment, and/or violence against children (VAC) risk;
- Activities that increase erosion/land slide risks;
- Activities that cause exploitation of limited/non-renewable natural resources (such as ground water);
- Activities proposed on land with existing ownership disputes or caveats;
- Activities that will cause significant negative climate impacts;
- Any activity with significant environmental and social risks and impacts that requires an Environmental and Social Impact Assessment (ESIA);
- Any activity that will require Free, Prior and Informed Consent (FPIC) as defined in ESS7; and
- Activities that cause significant physical and/or significant economical displacements.

Detailed Design Stage - Screening for E&S Risks and Impacts

As a second step, the PIU, supported by the CIU Safeguards Team, will use the **Activity Screening Form in Annex 1** to identify and assess relevant environmental and social risks specific to the activities, and identify the appropriate mitigation measures. The **Activity Screening Form** lists the various mitigation measures and plans that may be relevant for the specific activities (such as the Environmental and Social Codes of Practice (ES COP), the site-specific Environmental and Social Management Plan (ESMP), the LMP, Chance Find Procedures (CFP), etc.)

The screening outcomes should be discussed with the project team and design personnel to identify ways to reduce or avoid adverse impacts. Any adjustments to the design, categorization, or E&S risk management tool(s) can be refined after this step.

The PIU, supported by the CIU Safeguards Team, will also follow the FSM National and State EIA permitting processes.

The project typologies that **need to** be further screened using the **Activity Screening Form** (Annex I) during implementation of ARISE include the civil works activities in the categories as follows:

- Solar-powered mini grids (sub-component 1.1);
- Solar PV systems (sub-components 2.1, 2.2, and 2.3);
- Distribution grid rehabilitations (sub-components 1.2 and 1.4); and
- Distribution links upgrades (sub-component 1.3).

Please note that the following project typologies **do not need** to be further screened:

- Equipment and tools - refer to the mitigation methods set out in Table 9 of the ESMF;
- Community outreach programs refer to the mitigation methods set out in Table 10 of the ESMF;
- Technical Advisory (refer to section 6.2).

5.1.2 Subproject Formulation and Planning – E&S Planning

Based on the process above and the **Activity Screening Form** (Annex I), the PIU, supported by the CIU Safeguards Team, will adopt the necessary environmental and social management measures already included in the Annexes of this ESMF (such as the ESCOP, the LMP, LAP, etc.) or develop relevant site-specific ESMPs, LDDRs etc.

If site-specific ESMPs are necessary, the PIU, supported by the CIU Safeguards Team, will prepare these. The PIU, supported by the CIU Safeguards Team, will provide approval of drafts and compile site-specific ESMPs and other applicable forms. The contents of the site-specific ESMPs will be shared with relevant stakeholders in an accessible manner, and consultations will be held with the affected communities on the environmental and social risks and mitigation measures. If certain subprojects or contracts are being initiated at the same time or within a certain location, an overall ESMP covering multiple subprojects or contracts could be prepared.

The site-specific ESMPs, once they are cleared by the CIU Safeguards team, are to be submitted as final to the World Bank for no objection.

The PIU, supported by the CIU Safeguards Team, will also complete all FSM National and State EIA permitting processes before any project activities begin.

At this stage, staff who will be working on the various subproject activities should be trained in the E&S management plans relevant to the activities they work on. The PIU, supported by the CIU Safeguards Team should provide such training to PMU field staff.

The PIU, supported by the CIU Safeguards Team, must also ensure that all selected contractors, subcontractors, and vendors understand and incorporate environmental and social mitigation measures relevant to them as standard operating procedures for civil works. E&S requirements are mandatory to include in the Contractor(s) TORs. The PIU, supported by the CIU Safeguards Team, shall provide training to selected contractors to ensure that they understand and incorporate environmental and social mitigation measures; and plan for cascading training to be delivered by contractors to subcontractors and vendors. The PIU, supported by the CIU Safeguards Team, should further ensure that the entities or communities responsible for ongoing operation and maintenance of the investment have received training on operations stage environmental and social management measures as applicable.

The PIU, supported by the CIU Safeguards Team, will determine if procurement is required for the activity. If yes then ESHS provisions will be incorporated into bidding documents, in accordance with the World Bank Procurement Framework.

5.1.3 Implementation and Monitoring – E&S Implementation

During implementation regular monitoring visits are required to ensure the E&S mitigations are implemented. The monitoring process(es) including the actions and ownerships will be outlined in the site-specific ESMP(s). The PIU will consider whether mobile devices can be used for monitoring of projects with numerous subproject locations. If there are contractors implementing subproject activities, the contractors will be responsible for implementing the mitigation measures in the E&S risk management documents, with the PIU oversight, supported by the CIU Safeguards Team.

The PIU, supported by the CIU Safeguards Team, will ensure that monitoring practices include the E&S risks identified in the ESMF, and will monitor the implementation of E&S risk management mitigation plans as part of regular project monitoring.

At a minimum, the reporting will include (i) the overall implementation of E&S risk management instruments and measures, (ii) any environmental or social issues arising as a result of project activities and how these issues will be remedied or mitigated, including timelines, (iii) Occupational Health and Safety performance (including incidents and accidents), (iv) community health and safety, (v) stakeholder engagement updates, in line with the SEP, (vi) public notification and communications, (vii) progress on the implementation and completion of project works, and (viii) summary of grievances/beneficiary feedback received, actions taken, and complaints closed out, in line with the SEP. Reports from the local levels will be submitted to the PIU, supported by the CIU Safeguards Team, at the national level, where they will be aggregated and submitted to the World Bank on a Semi-annual basis.

Throughout the Project implementation stage, the PIU, supported by the CIU Safeguards Team, will continue to provide training and awareness raising to relevant stakeholders, such as staff, selected contractors, and communities, to support the implementation of the environmental and social risk management mitigation measures. An initial list of training needs is proposed below, in Section 7.2.

The PIU, supported by the CIU Safeguards Team will also track grievances/beneficiary feedback (in line with the SEP) during project implementation to use as a monitoring tool for implementation of project activities and environmental and social mitigation measures.

If the PIU becomes aware of a serious incident in connection with the project, which may have significant adverse effects on the environment, the affected communities, the public, or workers, it should notify the World Bank within 48 hours of becoming aware of such incident. A fatality is automatically classified as a serious incident, as are incidents of forced or child labor, abuses of community members by project workers (including GBV or VAC incidents), violent community protests, or kidnappings.

5.1.4 Review and Evaluation – E&S Completion

Upon completion of Project activities, the PIU, supported by the CIU Safeguards Team will review and evaluate progress and completion of project activities and all required E&S mitigation measures. The PIU, supported by the CIU Safeguards Team, will monitor activities with regard to site restoration and landscaping in the affected areas to ensure that the activities are done to an appropriate and acceptable standard before closing the contracts, in accordance with measures identified in the site-specific ESMPs and other plans. The sites must be restored to at least the same condition and standard that existed prior to commencement of works. Any pending issues must be resolved before a subproject is considered fully completed. The PIU, supported by the CIU Safeguards Team, will prepare the completion report describing the final status of compliance with the E&S risk management measures and submit it to the World Bank.

5.2 Technical Assistance Activities

The PIU, supported by the CIU Safeguards Team, will ensure that the studies (including technical and feasibility studies), institutional strengthening, capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with TOR(s) acceptable to the World Bank, that are consistent with the ESSs. They will also ensure that the outputs of such activities comply with the TOR(s). Example E&S risk management clauses for Technical Advisory TORs can be found in Annex VIII.

The PIU, supported by CIU Safeguards Team, will review the TA outcomes for compliance with the ESMF, project exclusion list (Table 13), FSM law, and consistency with WBG EHS Guidance for the Energy Sector, the WB ESSs, and GIIP. WB E&S specialists to review the outputs to provide a ‘No Objection’ prior to finalization.

6 Implementation Arrangements

R&D’s PIU will be responsible for implementing all project components with support from the state power utilities, and CIU support on financial management, procurement, environmental and social management. The table below summarizes the roles and responsibilities regarding the implementation arrangements for environmental and social management.

Table 14 - Implementation Arrangements

Level/ Responsible Party	Roles and Responsibilities
<p>R&D Energy Division - PIU</p>	<p>The PIU will implement the project in accordance with a POM that details institutional, financial management, disbursement, procurement, environmental & social arrangements, and procedures for day-to-day execution.</p> <p>Specifically, the PIU shall:</p> <ul style="list-style-type: none"> ▪ Ensure project activities do not fall under the Negative List. ▪ Fill out Screening Checklists for relevant sub-component activities and submit forms to the WB. ▪ If relevant, prepare site-specific ESMPs, LDDRs, for sub-component activities and submit to the WB for review. ▪ Follow the FSM National and State EPA process to identify what permits are required and then prepare the appropriate applications and documents. ▪ Ensure community and stakeholder engagement and disclosure processes to ensure World Bank policy and community expectations are met. ▪ Implement the Project and Workers GM. ▪ Train central and field staff and contractors who will be responsible for implementing the ESMF, site specific ESMP, ESCOP, etc. ▪ Provide training to contractors and communities on relevant environmental and social mitigation measures, roles, and responsibilities. ▪ Oversee overall implementation and monitoring of environmental and social mitigation and management activities, compile progress reports from sub-component activities, and report to the World Bank on a semi-annual basis. ▪ If contracting is managed centrally, ensure that all bidding and contract documents include all relevant E&S management provisions per screening forms, site-specific ESMPs, and ESCOP. ▪ Build capacity within the State Utilities. ▪ Review and contribute to TA TORs by ensuring consistency with the E&S risk management instruments and World Bank ESF. ▪ Manage environmental and social risks in procurement. ▪ Attend World Bank missions, field trips, meetings etc. as required.
<p>DoFA - CIU Safeguards Team</p>	<p>The DoFA CIU will provide support for the R&D PIU on all environmental and social aspects of the Project.</p> <p>Specifically, the CIU shall:</p> <ul style="list-style-type: none"> ▪ Provide advice to the PIU on key environmental and social issues and aspects of the Project in a timely manner, including general environmental and social risk management advice and advice on the implementation of E&S instruments. ▪ Assist the PIU to complete the Screening Checklists and prepare relevant site-specific ESMPs. ▪ Collect, review, and provide quality assurance and approval to Screening Checklists and site-specific ESMPs, LDDRs (as relevant). Keep documentation of all progress. ▪ Assist with the FSM national and state EPA process the preparation of the appropriate applications and documents. ▪ Assist with community and stakeholder engagement and disclosure. ▪ Assist GMs implementation. Assist with resolving difficult grievances that cannot be resolved by the PIU. ▪ Assist with training of contractors and communities.

	<ul style="list-style-type: none"> ▪ Assist with central and field staff training. ▪ Assist with implementation and monitoring of environmental and social mitigation and management activities. ▪ Assist with the preparation of semi-annual reports for the WB. ▪ Assist with reviewing contract and bidding documents to ensure they contain all relevant E&S management provisions per screening forms, site-specific ESMPs, and ESCOP. • Assist with capacity building of the State Utilities. ▪ Support the review of TA TORs. ▪ Support the review of environmental and social risks in procurement. ▪ Support the PIU to manage any significant environmental and social risks and/or report serious incidents. ▪ Attend World Bank missions, field trips, meetings etc. as required.
State Utilities – KUA, PUC, CPUC, YSPSC	<p>The State Utilities will provide local support for the R&D for relevant sub-component activities.</p> <p>Specifically, the State Utilities shall:</p> <ul style="list-style-type: none"> ▪ Provide local information and data to the PIU relevant for completion of the Screening Checklist(s). ▪ Oversee daily implementation and monitoring of environmental and social mitigation measures, and report progress and performance to the national level on a monthly basis. ▪ If contracting is managed locally, ensure that all bidding and contract documents include all relevant E&S management provisions per screening forms, site-specific ESMP(s), and ESCOP. ▪ Review and approve C-ESMP(s), and any other contractor plans. ▪ Attend World Bank missions, field trips, meetings etc. as required.
Project Engineer	<ul style="list-style-type: none"> ▪ Review and approve C-ESMP(s), and any other contractor plans. ▪ Ensure quality of construction works ▪ Conduct regular monitoring visits
Contractor(s)	<p>Contractors will be used for civil works activities.</p> <p>Specifically, contractor(s) shall:</p> <ul style="list-style-type: none"> ▪ Comply with the Project’s environmental and social mitigation and management measures as specified in site-specific ESMPs, ESCOP, and contract documents, as well as national and local legislation. ▪ Prepare and comply with C-ESMPs for sub-component activities. ▪ Appoint a health and safety officer at site. ▪ Take all necessary measures to protect the health and safety of workers and community members, and avoid, minimize, or mitigate any environmental harm resulting from project activities. ▪ Disseminate and create awareness within their workforce of environmental and social E&S risk management compliance. ▪ Provide monthly monitoring reports on E&S performance to the PIU.
WB E&S Specialists	<ul style="list-style-type: none"> ▪ Regular E&S risk management compliance monitoring. ▪ Capacity building. ▪ Semi-annual missions.

6.1 Capacity Assessment

R&D has been implementing several donor-funded projects using dedicated project implementation units. R&D is currently implementing the World Bank SEDAP project through a dedicated PIU, with support on

financial management, safeguards, and procurement from the CIU. However, the SEDAP project is implemented using the old WB OPs, while the ARISE project is being prepared under the ESF. Therefore there may be some gaps in the R&D’s PIUs knowledge in regard to the new aspects of the WB ESF.

The CIU, hosted with DoFA, will have fiduciary responsibility for financial management. Considering the higher scope of work under ARISE, the PIU staffing will be retained under ARISE and beefed up by adding two engineers (one based in Pohnpei and the second based in Chuuk), a local procurement officer, and a local environment and social (E&S) officer housed within PIU. The CIU’s international Social and Environment Specialists will train, coach, and support the PIU-hosted procurement and E&S aspects.

6.2 Proposed Training and 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 this ESMF. Training and capacity building will be necessary for the key stakeholders in order to ensure effective implementation of the ESMF, SEP, and activity level E&S instruments.

To the extent possible, training on environmental and social risk management will be integrated into the project cycle and operational procedures. Given the need to raise awareness among project workers and stakeholders at many levels, a cascading model is proposed where information will follow from the national level to the field levels.

An initial training approach is outlined in the table below, which will be updated during project implementation as more information about the capacity of key stakeholders is known.

Table 15 - Proposed Training and Capacity Building Approach

Level	Responsible Party	Audience	Topics/Themes that May Be Covered
National level	World Bank	R&D PIU and DoFA CIU Safeguards Team	E&S Risk Management approach: <ul style="list-style-type: none"> ▪ Identification and assessment of E&S risks. ▪ Sub-component activity environmental and social screening processes and application of relevant E&S risk management measures/instruments. ▪ E&S monitoring and reporting. ▪ Incident and accident reporting. ▪ Application of the LMP, including the Code of Conduct, incident reporting, SEA/SH/VAC. ▪ Application of SEP and the grievance/beneficiary feedback mechanism, including the processes for handling sensitive complaints such as GBV/SEA/SH/VAC incidents.
Regional level	PIU / CIU staff	State Utilities staff	E&S Risk Management approach: <ul style="list-style-type: none"> ▪ Identification and assessment of E&S risks. ▪ Selection and application of relevant E&S risk management measures. ▪ E&S monitoring and reporting.

			<ul style="list-style-type: none"> ▪ Incident and accident reporting. ▪ Application of the LMP, including Code of Conduct, incident reporting, SEA/SH/VAC. ▪ Occupational health and safety procedures. ▪ Chance Finds Procedures. ▪ Application of SEP and the grievance/beneficiary feedback mechanism including the processes for handling sensitive complaints such as GBV/SEA/SH/VAC incidents.
Local/site level	PIU/ CIU and State Utilities staff	Local staff Contractor(s)	<ul style="list-style-type: none"> ▪ Application of SEP and the grievance/beneficiary feedback mechanism ▪ Application of the LMP, including Code of Conduct, incident reporting, SEA/SH/VAC ▪ Basic OHS measures and Personal Protective Equipment. ▪ Application of ESCOPs or site-specific ESMPs, as relevant. ▪ Grievance mechanism.
Community level	PIU/CIU State Utilities staff local staff	Community members	<ul style="list-style-type: none"> ▪ Basic OHS measures and Personal Protective Equipment. ▪ Community health and safety issues. ▪ Worker Code of Conduct. ▪ SEA/SH/VAC issues, prevention, measures. ▪ Grievance mechanism.

6.3 Estimated Budget

The following table lists provides an estimate of the cost of items required for the implementation for the E&S risk management procedures, which have been included in the overall project budget:

Table 16 – Estimated ESMF Implementation Budget

Activity/Cost Item	Potential Cost (USD) Per Year
Trainings for staff (venue, travel, refreshments etc.)	US\$5,000 per year
Trainings for contractors (venue, travel, refreshments, etc.)	US\$5,000 per year
Printing of awareness raising materials / grievance redress materials	US\$5,000 per year
Software for data collection / supervision / monitoring / grievance redress	US\$10,000 per year
Screening and preparation of site-specific ESMPs, LDDR, SECAPs, and other site-specific plans (as needed)	US\$8,000 per year
Cost of obtaining clearances or permits	US\$5,000 per year
Implementation of site-specific ESMPs, LDDR, SECAPs, and other site-specific plans	US\$10,000 per year
Travel and accommodation budget for environmental and social staff site visits	US\$13,000 per year
Part time E&S consultants (as required)	To be determined during project implementation
TOTAL	US\$60,000 per year

7 Stakeholder Engagement, Disclosure, and Consultations

A separate Stakeholder Engagement Plan (SEP) has been prepared for the Project, based on the World Bank’s Environmental and Social Standard 10 on Stakeholder Engagement.

This ESMF, which includes the LMP as an annex, as well as the SEP and the ESCP that have been prepared for this project, have been disclosed in draft form on the following websites: <https://rd.gov.fm/energy> and <https://dofa.gov.fm/world-bank-projects>.

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8 ANNEXES

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ANNEX I – SUB-COMPONENT ACTIVITY SCREENING FORM²³

1. Sub-Component Activity Information:

Activity Title:	
Sub-component Name:	
Activity Location:	
Agency in Charge:	
Proposed Start/Completion Date:	
Number of Potential Beneficiaries:	
Brief Description of Activity:	

2. Environmental and Social Screening:

Questions	Answer		Next Steps
	Yes	No	
ESS1 - Assessment and Management of Environmental and Social Risks and Impacts			
1. Is the activity likely to have significant adverse environmental impacts that trigger the 'Ineligible Activities' list in Table 13 of the ESMF.			If "Yes": Exclude from the project.
2. Does the activity involve <u>new construction or significant expansion of the footprint</u> of an existing structure?			If "Yes", Moderate Risk: 1. Prepare a site-specific ESMP for the proposed sub-component activity based on the template in Annex III. 2. Include E&S risk management measures into contractor(s) bidding documents. 3. Contractor must prepare and follow Contractors-ESMP (C-ESMP)
3. Will civil works require new borrow pits and/or quarries to be opened?			If "Yes", Moderate Risk: 1. Prepare a site-specific ESMP for the proposed sub-component activity based on the template in Annex II. 2. Include E&S risk management measures in contractor(s) bidding documents.
4. Does the activity involve <u>maintenance or rehabilitation</u> of any small-scale infrastructure that will not change its size or footprint?			If "Yes", Low Risk: 1. Apply relevant measures based on the ESCOP in Annex II (unless one of the questions below raises specific environmental risks and requires a site-specific ESMP).

²³ The project typologies needing further screening using this form include civil works activities in the categories as follows: solar-powered mini grids (sub-component 1.1); solar PV systems (sub-components 2.1, 2.2, and 2.3); distribution grid rehabilitations (sub-components 1.2 and 1.4); and distribution links upgrades (sub-component 1.3).

			2. Include E&S risk management measures from the ESCOP into contractor(s) bidding documents.
5. Does the project lead to any risks to, and/or impacts on, individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable? ²⁴			If "Yes": Apply relevant measures described in the ESMF and SEP.
ESS2 - Labor and Working Conditions			
6. Does the activity involve uses of goods and equipment made involving forced labor, child labor, or other harmful or exploitative forms of labor?			If "Yes": Exclude from project.
7. Does the activity involve recruitment of workforce(s) including direct, contracted, primary supply, and/or community workers?			If "Yes": Apply the LMP (Annex VI).
8. Will the workers be exposed to workplace hazards that needs to be managed in accordance with local regulations and EHSGs? Do workers need PPE relative to the potential risks and hazards associated with their work?			If "Yes": Apply the LMP (Annex VI).
9. Is there a risk that women may be underpaid when compared to men when working on the activity construction?			If "Yes": Apply the LMP (Annex VI).
ESS3 – Resource Efficiency and Pollution Prevention and Management			
10. Is the activity likely to generate significant quantities of solid, liquid, or hazardous waste, that could adversely impact soils, vegetation, rivers, streams or groundwater, or nearby communities?			If "Yes": Moderate Risk. 1. Prepare a site-specific ESMP based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
11. Are works likely to cause significant negative impacts to air and / or water quality?			If "Yes": Moderate Risk. 1. Prepare a site-specific ESMP based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
12. Will the activity require a large amount of energy, water, or other natural resources during project construction or operation?			If "Yes": Moderate Risk. 1. Prepare a site-specific ESMP based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
13. Will construction be located in or adjacent to any waterways (rivers, streams), wetlands, or water bodies (ponds, lakes, estuary, ocean)?			If "Yes": Moderate Risk. 1. Prepare a site-specific ESMP based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
14. Will the activity require any land reclamation?			If "Yes": Moderate Risk. 1. Prepare a site-specific ESMP based on the template in Annex III.

²⁴ "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.

			2. Include E&S risk management measures in contractor(s) bidding documents.
ESS4 – Community Health and Safety			
15. Is there a risk of increased community exposure to communicable diseases (such as COVID-19, HIV/AIDS, Malaria), or increase in the risk of traffic related accidents?			If “Yes”: Apply LMP (Annex VI) and relevant measures in the SEP.
16. Is an influx of workers, from outside the community, expected? Would workers be expected to use health services of the community? Would they create pressures on existing community services (water, electricity, health, recreation, others?)			If “Yes”: Apply LMP (Annex VI).
17. Is there a risk that SEA/SH or VAC may increase as a result of project works?			If “Yes”: Apply LMP (Annex VI).
18. Is there a risk of UXOs being present in the footprint of the works?			If “Yes”: Apply Chance Find Procedures in Annex VII.
19. Would any public facilities, such as schools, health clinic, church be negatively affected by construction?			If “Yes”: Low Risk. Apply relevant measures based on the ESCOP in Annex II (unless one of the other questions in the screening form requires a site-specific ESMP).
ESS5 – Land Acquisition, Restrictions on Land Use and Involuntary Resettlement			
20. Will the activity or any associated facilities needed for the activity (such as access roads or electricity transmission lines) require the involuntary acquisition of new land (will the government use eminent domain powers to acquire the land)?			If “Yes”: Exclude from project.
21. Has the site of the activity been acquired through eminent domain in the past 5 years, in anticipation of the subproject?			If “Yes”: Exclude from project.
22. Will the activity lead to temporary or permanent physical displacement (including people without legal claims to land)?			If “Yes”: Refer to and apply the project Land Access Procedures (LAP) (Annex V) and Prepare Land Due Diligence Report (LDDR).
23. Will the activity lead to economic displacement (such as loss of assets or livelihoods, or access to resources due to land acquisition or access restrictions)?			If “Yes”: Refer to and apply the project LAP (Annex V).
24. Is private land required for the activity being voluntarily donated to the project?			If “Yes”: Refer to and apply the project LAP (Annex V).
25. Is the road easement available to expand the distribution network?			If “Yes”: Refer to and apply the project LAP (Annex V).
26. Are any potential impacts on access restriction to or delivery of essential services (e.g., hospital, school, church, roads etc.) anticipated?			If “Yes”: Refer to and apply the project LAP (Annex V).
ESS6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources			
27. Does the subproject involve activities that have potential to cause any significant loss or degradation of critical habitats whether directly or indirectly, or which would lead to adverse impacts on natural habitats?			If “Yes”: Exclude from project.
28. Will this activity require clearance of mangroves?			If “Yes”: Exclude from project.
29. Will there be any significant impact on any ecosystems of importance (especially those supporting rare, threatened or endangered species of flora and fauna)?			If “Yes”: Exclude from project.
30. Will the activity involve the conversion or degradation of non-critical natural habitats?			If “Yes”: Moderate Risk.

			1. Prepare a site-specific ESMP based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
31. Will this activity require clearance of trees and/or other vegetation, including inland natural vegetation?			If "Yes": Moderate Risk. 1. Exclude from the project if more than 0.5 hectares of tree and vegetation cutting is expected. 2. If less than 0.5 hectares of tree and vegetation cutting is expected. prepare a site-specific ESMP for the proposed sub-component activity, based on the template in Annex III. 2. Include E&S risk management measures in contractor(s) bidding documents.
ESS8 – Cultural Heritage			
32. Is the activity to be located adjacent to a sensitive site (historical or archaeological or culturally significant site) or facility?			If "Yes": Apply Chance Find Procedures in Annex VII.
33. Is the activity 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": Apply Chance Find Procedures in Annex VII.

3. Consultations:

If consultations were undertaken, attach records of consultations including names and genders of person(s) met with during the site visit and the date of site visit:

4. Site and Location Photographs:

Please attach any relevant photographs of the site visit and surrounding areas:

5. Conclusion:

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

- a)
- b)

Note: Before developing the required E&S risk management instruments, discuss the screening outcomes with the project team and design personnel to identify ways to reduce and/or avoid adverse impacts (Step 2. of Screening of Sub-component Activity Assessment and Analysis in Chapter 6 of the ESMF).

Name of person who conducted screening: _____

Title of person who conducted screening: _____

Date of screening: _____

Note: The completed screening form must be signed and kept in the Project file and included in the Report to be submitted to World Bank per the schedule as agreed with the World Bank in the Environmental and Social Commitment Plan (ESCP).

DRAFT

ANNEX II - ENVIRONMENTAL AND SOCIAL CODES OF PRACTICE (ESCOP) FOR MINOR CIVIL WORKS

Overview

Minor civil works assessed to be '*Low Risk*' using the Activity Screening Form (Annex I of the ESMF) with associated risks that are local, predictable, temporary, and manageable must comply with this Environmental and Social Code of Practice (ECSOP), and this will be specified in the contractor(s) agreements.

This ESCOP should be read in conjunction with the following Project E&S instruments:

- Environmental and Social Management Framework (ESMF) containing Labour Management Procedures (LMP) as Annex VI
- Stakeholder Engagement Plan (SEP)
- Project Operational Manual (POM)

Monitoring and Compliance

The ESCOP will be followed by the contractor(s) and compliance will be monitored by the R&D PIU, with support from the DoFA CIU Safeguards team.

Reporting

Six-monthly reports will be prepared by the PIU, supported by the CIU, throughout implementation and submitted to the World Bank. The semi-annual environmental and social monitoring reports to the World Bank will include: (i) the status of the implementation of mitigation measures; and (ii) the findings of monitoring programs (iii) stakeholder engagement activities (iv) grievances log (v) E&S performance of contractors and subcontractors (vi) any incidents/accidents with adverse impacts and the actions taken to address it and prevent reoccurrence.

During the construction stages, monthly reports shall be prepared by the contractor(s) and submitted to the PIU for review. The reports will include information on (i) the implementation of Contractor Environmental and Social Management Plans (C-ESMPs) (ii) any health and safety or environmental incidents (iii) information on any grievances received and how they were resolved.

Construction Stage				
Risks and Impacts	Mitigation Measures	Monitoring Verification	Monitoring Frequency	Responsibilities
Air quality, noise, and vibration generated from small-scale civil works	<p>The contractor(s) is responsible for compliance with all relevant national and state level legislation and international standards with respect to noise and vibration and ambient air quality.</p> <p><u>Noise and vibration:</u> The contractor(s) undertaking works shall implement the following at a minimum:</p> <ul style="list-style-type: none"> • Plan activities in consultation with communities so that noisiest activities are restricted to being undertaken during periods that will result in least disturbance; • Noise levels should be maintained within the national permissible limits/standards; • If necessary, use temporary noise-control methods such as fences, barriers or deflectors (such as muffling devices for combustion engines) and select equipment with lower sound power levels where possible; • Minimize transportation of construction materials through community areas during regular working time; • Maintain a buffer zone (such as open spaces, row of trees or vegetated areas) between the project site and surrounding areas if possible, to lessen the impact of noise; and • Noise impacts should not exceed 55 dB(A) for residential; institutional, or educational receptors during the daytime (07:00 – 22:00) and 45 dB(A) during the Night-time (22:00 – 07:00) and for industrial or commercial receptors should not exceed 70 dB(A) at any time or result in a maximum increase in background levels of 3 dB at the nearest receptor location off-site. <p><u>Air Quality:</u> The contractor(s) undertaking works shall implement dust suppression measures (e.g. covering of material stockpiles, etc.) as required. At a minimum the following is required:</p> <ul style="list-style-type: none"> • Minimize dust from exposed work sites by applying water on the ground regularly during dry seasons; 	Designated stockpile areas approved; dust plumes; complaints register; vehicle and plant maintenance records.	Weekly inspections throughout the construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)

- Do not burn site clearance debris (trees, undergrowth) or construction waste materials;
- Keep stockpiles of aggregate materials covered to avoid suspension or dispersal of fine soil particles during windy days or disturbance from stray animals;
- Reduce the operation hours of generators/machines/equipment /vehicles;
- Control vehicle speed when driving through community areas is unavoidable so that dust dispersion from vehicle transport is minimized; and
- Ambient air quality should not exceed relevant national air quality guidelines/standards, or in their absence, the current [WHO global Air Quality Guidelines](#):

WHO Global Air Quality Guidelines		
	Averaging Period	Guideline value in $\mu\text{g}/\text{m}^3$
Particulate Matter PM ₁₀	1-year	15
	24-hour	45
Particulate Matter PM _{2.5}	1-year	5
	24-hour	15

Soil erosion and uncontrolled sediment causing negative impacts to surface and/or groundwater.

- The contractor(s) undertaking works shall implement the following at a minimum:
- Implement suitable project design (e.g., establish appropriate erosion and sediment control measures) to minimize soil erosion and identify and protect receiving water courses and bodies;
 - Schedule construction during dry seasons;
 - Scheduling to avoid heavy rainfall periods;
 - Contour and minimize length and steepness of slopes;
 - Use mulch, grasses or compacted soil to stabilize exposed areas promptly;
 - Cover with topsoil and re-vegetate (plant grass, fast-growing plants/bushes/trees) construction areas quickly once work is completed; and

On-site sediment control measures; records of water quality monitoring (visual); revegetation.

Weekly inspections throughout construction period.

Contractor(s) (implementation)
PIU with support from CIU Safeguards Team (oversight)

	<ul style="list-style-type: none"> Design channels and ditches for post-construction flows and line steep channels/slopes (e.g., with palm frowns, jute mats, etc.). 			
Resource efficiency issues, including materials supply and extraction of raw materials.	<p>The contractor(s) undertaking works shall at a minimum:</p> <ul style="list-style-type: none"> Estimate the quantities of raw materials needed for the construction and/or refurbishments; Source raw materials and construction materials locally and from licenced/permitted facilities only; and Use recycled or renewable building materials (e.g. timber) where possible. 	Contract for local materials.	Prior to works commencing and then throughout construction as required	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)
Impacts on local communities from traffic obstruction, congestion, and traffic and road safety.	<p>The contractor(s) undertaking works shall implement the following at a minimum:</p> <ul style="list-style-type: none"> Construction and establishment of haul roads shall be kept to a minimum; Communicate traffic management plans – including traffic volumes, schedules, road closures and community safety measures – to project stakeholders and local communities; Minimize the extent of traffic and construction impacts on adjacent villages and other residential areas where possible; All traffic signs used for the warning or direction of traffic at road works sites shall comply with appropriate traffic regulations. Homemade signs shall not be used; and Implement dust suppression measures. 	Traffic management plan included in the Contractor(s) C-ESCP; traffic control measures implemented; signage and barriers installed as required; complaints register.	Weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)
Damage to cultural heritage.	The contractor(s) shall include a Chance-Finds Procedure (Annex VII of the ESMF) in place prior to any physical works beginning. No disturbance of cultural or historic sites.	Chance-Finds Procedure in place; complaints register.	Prior to works commencing and then maintained throughout construction.	Contractor(s) Site Engineer (implementation) PIU with support from CIU Safeguards Team (oversight)
UXO Chance Finds	The contractor(s) shall have an UXO Chance-Finds Procedure (Annex VII of the ESMF) in place prior to any physical works beginning.	Chance-Finds Procedure in place; complaints register.	Prior to works commencing and then maintained throughout construction.	Contractor(s) Site Engineer (implementation) PIU with support from CIU Safeguards Team (oversight)

<p>Land and/or water pollution from waste generated by construction materials, and/or workers (solid, hazardous, and wastewater)</p>	<p>The contractor(s) undertaking works shall implement the following at a minimum:</p> <ul style="list-style-type: none"> • Segregate construction waste as recyclable, hazardous, and non-hazardous waste; • Collect, store and transport construction waste to appropriately permitted dump sites; • On-site storage of wastes prior to final disposal (including earth dug for foundations) should be at least 300 metres from rivers, streams, lakes, ponds, ocean, swamps, and wetlands;) • Use secured area for refueling and transfer of other toxic fluids distant from settlement area (and at least 50 metres from drainage structures and 100 metres from water bodies); ideally on a hard/non-porous surface; • Train workers on correct transfer and handling of fuels and other substances and require the use of gloves, boots, aprons, eyewear and other protective equipment for protection in handling hazardous materials; • Collect and properly dispose of small amount of maintenance materials such as oily rags, oil filters, used oil, etc. Never dispose spent oils on the ground or in water courses as it can contaminate soil and groundwater (including drinking water aquifers); • After each construction site is decommissioned, all debris and waste shall be cleared. 	<p>Contractor's sanitation facilities maintained onsite; waste and recycling records; worker training records.</p>	<p>Weekly inspections throughout construction period.</p>	<p>Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)</p>
<p>Land and/or water pollution from use and storage of hazardous substances e.g. minor spills from fuel, oils, lubricants.</p>	<p>The contractor(s) undertaking works shall implement the following at a minimum in accordance with relevant FSM national and state laws and GIIP such as the IFC EHS Guideline: Hazardous Materials Management:</p> <ul style="list-style-type: none"> • Using impervious surfaces for refueling areas and other fluid transfer areas; • Ensure that refueling and maintenance facilities are not located, or that activities do not take place, within 30 m of a watercourse, or in ecologically sensitive areas. If a 30m limit is impracticable then a lesser limit may be adopted provided approval is obtained. On no account shall the limit be less than 10 m; • Providing adequate secondary containment for fuel storage tanks and for the temporary storage of other fluids such as lubricating oils and hydraulic fluids. If the secondary containment used is bunding, then the area should also be lined and covered; 	<p>Secured storage areas and secondary containment; spill kit and worker training records; records of safety briefings; vehicle and plant maintenance records.</p>	<p>Weekly inspections throughout construction period.</p>	<p>Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)</p>

	<ul style="list-style-type: none"> • Ensure that vehicles and plant are not stored within 30 m of a watercourse, or in ecologically sensitive areas, overnight or when not in use; • Regular checks for leaking oil or fuel from machinery undertaken. Any leaks are promptly repaired and/or parts replaced within two days as part of maintenance of vehicles and equipment; • Training workers on the correct transfer and handling of fuels and chemicals and the response to spills; • No use of unapproved toxic materials including lead-based paints, un-bonded asbestos, etc.; and • Spill kit, appropriate to the hazardous materials being used, to be kept on-site and workers to be trained in its deployment. 			
Land and/or water pollution from hazardous wastes such as oil from old generators.	<p>The contractor(s) undertaking works shall be required to do the following at a minimum:</p> <ul style="list-style-type: none"> • Hazardous material management procedure detailed in C-ESMP(s) to be developed during project by the contractor in accordance with GIIP. C-ESMP(s) must be submitted to the PIU for approval prior to any physical works commencing; 	Hazardous material management procedure as part of Contractor's C-ESMP; hazardous waste records; worker training records.	Procedure prepared prior to works commencing and then weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)
Occupational Health and Safety (OHS) risks for workers.	<p>The contractor(s) undertaking works shall comply with all national, state, and good practice regulations and GIIP regarding workers' safety, such as OHS section of the IFC EHS Guidelines on Construction and Decommissioning, and implement the following at a minimum:</p> <ol style="list-style-type: none"> a) Develop and follow a site-specific C-ESMP that is compliant with the ESMF and World Bank Environment and Health and Safety Guidelines (EHSs) and which includes health and safety measures for workers. C-ESMPs must be submitted to the PIU for approval prior to any physical works commencing; b) When planning activities of each subproject, discuss steps to avoid people getting hurt. It is useful to consider: <ul style="list-style-type: none"> • Construction place: Are there any hazards that could be removed or should warn people about? 	Contractors C-ESMP(s); Emergency Action Plan as part of C-ESMP; workers allocated and wearing PPE; first aid kits in vehicles and at work sites; worker training records; complaints record; accident/incidents register.	Weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)

- The people who will be taking part in construction: Do the participants have adequate skill and physical fitness to perform their works safely?
 - The equipment: Are there checks you could do to make sure that the equipment is in good working order? Do people need any particular skills or knowledge to enable them to use it safely?
 - Electricity Safety: Do any electricity good practices such as use of safe extension cords, voltage regulators and circuit breakers, labels on electrical wiring for safety measure, aware on identifying burning smell from wires, etc. apply at site? Is the worksite stocked with voltage detectors, clamp meters and receptacle testers?
- c) Mandate the use of personal protective equipment for workers as necessary (gloves, dust masks, hard hats, boots, goggles).
- d) Follow the below measures for construction involve work at height (e.g., 2 meters or more above the ground):
- Do as much work as possible from the ground.
 - Do not allow people with the following personal risks to perform work at height tasks: eyesight/balance problem; certain chronic diseases – such as osteoporosis, diabetes, arthritis, or Parkinson’s disease; certain medications – sleeping pills, tranquilizers, blood pressure medication, or antidepressants; recent history of falls – having had a fall within the last 12 months, etc.
 - Only allow people with sufficient skills, knowledge and experience to perform the task.
 - Check that the place (e.g., a roof) where work at height is to be undertaken is safe.
 - Take precautions when working on or near fragile surfaces.
 - Clean up oil, grease, paint, and dirt immediately to prevent slipping; and

	<ul style="list-style-type: none"> • Provide fall protection measures e.g. safety harness, simple scaffolding/guard rail for works over 4 meters from ground. e) Keep worksite clean and free of debris on daily basis. f) Provision of first aid kit with bandages, antibiotic cream, etc. or health care facilities and enough drinking water. g) Keep corrosive fluids and other toxic materials in properly sealed containers for collection and disposal in properly secured areas. h) Ensure adequate toilet facilities for workers from outside of the community (e.g. a Portaloo). i) Rope off construction area and secure materials stockpiles/ storage areas from the public and display warning signs including at unsafe locations. Do not allow children to play in construction areas. j) Ensure structural openings are covered/protected adequately. k) Secure loose or light material that is stored on roofs or open floors. l) Keep hoses, power cords, welding leads, etc. from laying in heavily traveled walkways or areas. m) If school children are in the vicinity, include traffic safety personnel to direct traffic during school hours, if needed. n) Control driving speed of vehicles particularly when passing through community or nearby school, health center or other sensitive areas. o) During heavy rains or emergencies of any kind, suspend all work. p) Fill in all earth borrow-pits once construction is completed to avoid standing water, water-borne diseases and possible drowning. q) Provide all workers with an accessible means to raise concerns (workers GM) 			
<p>Health and safety risks for community from construction activities.</p>	<p>The contractor(s) undertaking works shall implement the following at a minimum:</p> <ul style="list-style-type: none"> • Develop and follow a site-specific C-ESMP that is compliant with the ESMF and World Bank Environment and Health and Safety Guidelines (EHSGs) and which includes health and safety 	<p>Contractor's C-ESMP which includes a Traffic Management Plan; signage and</p>	<p>Weekly inspections throughout construction period.</p>	<p>Contractor(s) (implementation)</p>

	<p>measures for the community. C-ESMP(s) must be submitted to the PIU for approval prior to any physical works commencing;</p> <ul style="list-style-type: none"> • A Traffic Management Plan must be included in the C-ESMP; • Comply with all national and good practice regulations regarding workers' safety and the Project's LMP; • Take protective measures to prevent accidents such as: <ul style="list-style-type: none"> ○ Barriers to prevent unauthorized access to worksites. ○ Implementing good house-keeping practices to eliminate the hazard where possible, such as the sorting and placing loose construction materials in established areas away from foot paths. ○ 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. • Provide safe access routes and other safety measures as appropriate during works such first aid kits, restricted access zones, warning signs, covering openings to small, confined spaces, overhead protection against falling debris and barricaded exclusion areas for drop zones (e.g. when working at heights), lighting system to protect community against construction risks; • Communicate risks and community safety mitigation measures to project stakeholders and communities; and • GM developed and operational in accordance with the Project SEP. 	<p>traffic control measures; site barriers such as fencing; records of consultations; complaints records; accident/incidents register.</p>		<p>PIU with support from CIU Safeguards Team (oversight)</p>
<p>Increase in sexual exploitation and abuse/sexual harassment (SEA/SH) or violence against children (VAC) related to project workforce</p>	<p>The Contractor(s) should at a minimum:</p> <ul style="list-style-type: none"> • Comply with all relevant national and state level laws and legislations. • Include SEA/SH and VAC requirements in the site-specific C-ESMP(s) including aspects relating to preventing SEA/SH and VAC and zero tolerance for these behaviors. • Ensure that workers are well briefed on the SEA/SH and VAC requirements in the C-ESMP. 	<p>Contractor's C-ESMP which includes SEA/SH and VAC requirements; Agreed Code of Ethics and Professional</p>	<p>Weekly inspections throughout construction period.</p>	<p>Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)</p>

	<ul style="list-style-type: none"> • Provide separate facilities for female and male workers. • Refer to the Project LMP within the ESMF for further mitigation measures. 	Conduct; worker training records; complaints record.		
Workers are underaged.	Child labor or forced labor is absolutely prohibited in the project.	Records of workers by age; complaints record.	Weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)
General	The Contractor(s) shall ensure that none of the following occur: <ul style="list-style-type: none"> a) No cutting of trees or destruction of vegetation other than on construction site. b) No hunting, fishing, capture of wildlife or collection of plants. 	Procurement reports; complaints record.	Weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)

If the sub-project activity specifically includes solar power systems include the following:

Solar Electrification Projects				
Solar power systems	The Contractor(s) should at a minimum: <ul style="list-style-type: none"> a) Tidy wiring for easy maintenance and reduces the risk of accidents; b) All workers to use basic fall arrest harnesses when working more than 2 metres above ground level; c) Dispose of broken or damaged solar panels to approved and permitted facilities only. 	Waste and recycling records; complaints record.	Weekly inspections throughout construction period.	Contractor(s) (implementation) PIU with support from CIU Safeguards Team (oversight)

ANNEX III – SITE SPECIFIC ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN (ESMP) TEMPLATE

Environmental and social risks and impacts are strongly linked to subproject location and scope of activities. This ESMP should be customized for each specific subproject location and activities.

1. Subproject Information

Subproject Title:	
Estimated Cost:	
Start/Completion Date:	

2. Site/Location Description

This section concisely describes the proposed location and its geographic, ecological, social and temporal context including any offsite investments that may be required (e.g., access roads, water supply, etc.). Please attach a map of the location to the ESMP.

3. Subproject Description and Activities

This section lists all the activities that will take place under the subproject, including any associated activities (such as building of access roads or transmission lines, or communication campaigns that accompany service provision).

4. ESMP Matrix: Risk and Impacts, Mitigation, Monitoring

This section should identify anticipated site-specific adverse environmental and social risks and impacts; describe mitigation measures to address these risks and impact; and list the monitoring measures necessary to ensure effective implementation of the mitigation measures. It may draw from the ESMF's pre-identification of potential risks/impacts and mitigation measures, as applicable, and drill down further to ensure relevance and comprehensiveness at the site-specific level. For subprojects involving construction, two sets of tables may be needed, for the construction phase and the operation phase.

Anticipated E&S Risks and Impacts	Risk Mitigation and Management Measures	Impact Mitigation		Impact/Mitigation Monitoring		
		Location/Timing/Frequency	Responsibility	Parameter to be monitored	Methodology, including Location and Frequency	Responsibility

5. Capacity Development & Training

Based on the implementation arrangements and responsible parties proposed above, this section outlines any capacity building, training or new staffing that may be necessary for effective implementation.

6. Implementation Schedule and Cost Estimates

This section states the implementation timeline for the mitigation measures and capacity development measures described above, as well as a cost estimate for the implementation. The cost estimate can focus on the line items that will be covered by the project implementing agency, with costs of mitigation measures to be implemented by the contractor left to the contractor to calculate.

7. Attachments

ESCOPs, site specific SECAP, LDDR, etc.

IV. Review & Approval

Prepared By:(Signature) Position: Date	
Reviewed By:(Signature) Position: Date	Approved By:(Signature) Position: Date

ANNEX IV – CONTRACTOR ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN OUTLINE

Contractor(s) must prepare C-ESMPs to address environmental, social, and health and safety risks related to their work.

The Contractor is responsible for implementing the C-ESMP, with the PIU supervising its implementation and the CIU Safeguards Team providing support.

C-ESMPs for Project activities should reference the following project documents:

- Environmental and Social Management Framework (ESMF) including Labour Management Procedures (LMP)
- Stakeholder Engagement Framework (SEP)
- Project Operational Manual (POM)

Where a C-ESMP is prepared as part of the environmental and social risk management for sub-component activities, the following outline may be used to guide the Contractor on what to include:

1. Introduction

- About the Contractor.
- Goal and purpose of C-ESMP.

2. Scope of Works

- Outline of project activities.
- Include maps, photos, site plans, layout maps, figures (as required).

3. Environmental and Social Risk Management Procedures

- Waste Management.
- Noise and Dust Pollution Management.
- Hazardous Material Management (if relevant).
- Occupational and Community Health and Safety (including SEA/SH/VAC requirements).
- Traffic Management.

4. Emergency Action Plan

5. Stakeholders, Public Consultations, and Grievance Mechanism

6. Communication, Monitoring, and Reporting

7. Roles and Responsibilities

8. Capacity Development and Training

9. Inspection and Monitoring

10. ANNEXES

- Environmental and Social Impact Mitigation Table

Example Environmental and Social Impact Mitigation Table for inclusion in C-ESMP

Topic/Potential Impact	Potential E&S impacts	Mitigation, Management, and Enhancement Measures	Parameter to be Monitored	Responsibility	Monitoring Procedure	Oversight
Occupational Health and Safety						
Occupational Health and Safety	Injury to workers	Ensure the use of Personal Protective Equipment (PPE) for all workers.	PPE is used on-site by workers	Contractor(s)	Weekly inspections during construction work.	PIU with support from CIU

ANNEX V - LAND ACCESS PROCEDURES

Purpose

These Land Access Procedures (LAP) outline the consultation measures and land due diligence processes that R&D will use during project implementation to guide consultations relating to land or asset disputes or issues. The LAP will be updated during the project implementation phase to include further information on the areas of land potentially impacted, as well as land tenure arrangements.

Scope of Land Acquisition and Resettlement

While the ARISE project does not intend to undertake any activities directly on privately owned land, and there will be no involuntary resettlement, as most of project's activities will be focusing on small scale civil works on government land, land within the road easement, and roofs of government buildings, it is possible that there may be some encroachment onto private land or land that is not clearly defined and/or use of privately owned roofs. In this case, this may raise concerns with landowners/residents.

The R&D acknowledges and agrees to a mutual understanding of the eligibility criteria, entitlements, and implementation arrangements for any resettlement activities that may arise during project implementation. In accordance with the Environmental and Social Standard 5 (ESS 5) guidelines, the R&D commits to assuming full responsibility for addressing the needs of Affected Persons (APs) should resettlement become unavoidable.

Affected Persons

Consistent with ESS5, these LAP will apply to all three categories of APs as follows: (i) persons with formal or legal rights to land lost in its entirety or in part; (ii) person who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such land that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part (as of the cut-off date) who have neither formal legal rights nor recognizable claims to such land.

Legal and Policy Framework

This LAP was prepared within the context and requirements of the relevant national regulatory and institutional framework, and the World Bank ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement. World Bank ESS5 acknowledges that the project related land acquisition and restriction on land use can have adverse impact on the affected people, communities, individuals, and that involuntary resettlement should be avoided.

The FSM Land Use Act Section 205 of the General Provisions of the Land Use Act for FSM provides that “[t]he law concerning ownership, use, inheritance, and transfer of land in effect in any part of the Trust Territory on December 1, 1941, shall remain in full force and effect to the extent that it has been or may hereafter be changed by express written enactment made under authority of the Trust Territory.”

The Government Property Acquisition [Title 56] deals with eminent domain (Chapter 1), real property acquisition (Chapter 2), relocation assistance (Chapter 3) and alien property (Chapter 4).

The four States of FSM each have their respective state level regulations and legal frameworks elaborating on the National Constitution and Regulations and stipulating their specific requirements.

The ARISE project will follow both the national laws and the World Bank's ESS 5.

Land Tenure Arrangements in FSM

The FSM Constitution restricts land ownership to FSM citizens, prohibiting foreign individuals and domestic corporations with non-FSM shareholders from owning land. Land in the FSM is largely held through group and communal ownership, with variations in transfer rights across the states. In Chuuk, Kosrae, and Yap, land can be legally transferred to any FSM citizen, while in Pohnpei, it can only be transferred to natives of the island. Traditionally, land ownership was restricted to inheritance within families or clans, leading to many land parcels being under communal use and controlled by extended families, clans, or communities, though private landholders influenced by customary land tenure systems still occupy most lands.²⁵

Patterns of public and private ownership over land varies among the states, with a mix of private and state ownership in Pohnpei and Kosrae, and primarily private ownership in Chuuk and Yap, often governed by traditional controls. The traditional economy treats land as a non-commodity, but attitudes are shifting, with some sales, trades, and leases occurring, especially near development centers. Cadastral and registration programs have had mixed success, with Pohnpei showing the most progress, though much land remains unsurveyed and untitled across the FSM. The lack of permanent survey and ownership records complicates secure and efficient land transactions, with unresolved disputes and fading of collective memory further challenges land management.²⁶

Potential Project Land Requirements

Chuuk State

In Chuuk, solar arrays on the outer islands will preferentially utilize roof mounted solar panels, either on existing roofs or on constructed shelters. The use of government buildings or school roofs is preferred. Church roofs would be considered next and only when these options have been exhausted will private roofs be considered. There may need to be some temporary private land access e.g. for staging areas etc. Accessing land titles is expected to be challenging as they are not always available. The boundary lines would need to be surveyed and a legal opinion prepared. This would then need to be accepted by the land owners. Distribution line networks to be installed will follow existing road easements, whenever possible. The outer islands' solar project details will be finalized following an engineering survey scheduled for late September, 2024.

In Weno, 1 MW ground mounted solar will be installed at the remaining available government land at the Weno solar PV facility. The remaining 0.5 MW is expected to be installed on rooftops of selected privately owned schools. Some meetings have been held with the owners of the school. Issues raised include concerns regarding the solar causing leaky roofs and what would be offered in exchange for leasing the roof space.

²⁵ Doran, 2004, 'Private Lands Conservation in the Federated States of Micronesia', Sponsored by the Nature Conservancy, University of Colorado Boulder

²⁶ Doran, 2004, 'Private Lands Conservation in the Federated States of Micronesia', Sponsored by the Nature Conservancy, University of Colorado Boulder

Kosrae State

In Kosrae State, distribution network maintenance will occur on Government lands, within the existing road easement. If there is additional funding, it is possible that a ground mounted solar PV array may be installed in a carpark. This will not be determined until the project implementation stage.

Pohnpei State

The rehabilitation of the distribution network in Pohnpei will take place within the existing road easement on the islands circumference road. The solar sites are not yet confirmed. However, the Pohnlangas solar facility ground mounted solar and the roof mounted solar at the Department of Education building would occur on government land. The roof mounted panels at the public track and field near the privately owned high school, will require consultation with the school.

Yap State

The Government owns very little property on Yap. Most lands are privately owned. The government also does not have imminent domain. On Yap, the underground distribution loops/links will all take place within the existing road easement. Four potential sites for the solar array have been identified. Sites A, B, and C are on privately owned properties. The Lands Department needs to confirm whether or not Sites A, B, and C have been surveyed and titled. The only vacant government-owned property suitable for the project is being proposed as Site D. Once the preferred site has been confirmed, the site boundaries will need to be assessed and flagged by the Lands Department. Thereafter, the survey would be publicly disclosed and consultations with government and landowners take place. People will be invited to file their claims which are then reviewed by the Lands Department to identify any adversity between claimants. This process may take some time, especially if there are many claims lodged.

Guiding Principles for Land Acquisition/Access

The guiding principles for land access and acquisition (if required) for the Project are that:

1. Physical and economic displacement will be minimized and involuntary land acquisition will be avoided via careful site selection and effective designs.
2. Where assets and impacts cannot be avoided, they will be replaced in-kind or compensated at full replacement value. Livelihood restoration will be undertaken in the unforeseen event that there is substantial displacement.
3. Potentially Affected Persons (PAPs) will be meaningfully consulted throughout the Project, with comprehensive disclosure of project information.
4. PAPs will have the opportunity to participate in project planning and to share in project benefits and should be better off or at least as well off as before the Project.
5. Land Due Diligence Reports (LDDRs), including documentation of the consultation process, shall be disclosed in a timely manner, in an accessible place and in a form and language that are understandable to key stakeholders.
6. The project should contribute towards sustainable development.

Indicative Land Access Strategy

The land used for the project will be prioritized as follows:

1. First preference will be to use Government owned land (for ground mounted solar) or Government owned buildings (for roof mounted solar) as this will allow for direct negotiations to arrange a lease/license and represents the lowest risk in terms of scale of potential impacts. R&D would need to apply to the Minister for Lands to seek agreement to use the land or roof space for project infrastructure that is not already designated for solar.
2. Second preference will be to use school or church owned or leased land/roof space. Although this has the same advantages of using Government land/roof space, the negotiation process may take longer.
3. Finally, if no government, church or school land/roof space is available - and subject to the project achieving broad community support from the owner(s) - private land will be obtained via lease. Private land shall only be considered once the previous two options have been discounted. In this case R&D will enter into negotiations directly with the private owner to obtain a lease over the land.

Compensation of Assets

The project will avoid or minimize involuntary land acquisition and resettlement through careful design and screening. If encroachment cannot be avoided, an assessment of privately-owned affected assets will be undertaken for any land encroachment of removal of assets or access to assets as required by ESS5.

The project's key compensation principles are:

- APs will receive compensation at replacement cost and/or assistance so that they will be as well-off as without the project.
- APs will be notified of Project cut-off dates, which will be the date after which people will NOT be considered eligible for compensation.
- Absence of formal title will not be a bar to compensation for house, structures and trees/crops and particular attention will be paid to vulnerable groups.
- Land compensation and resettlement assistance will be completed before the start of civil works.
- Contractors are responsible for providing compensation in the event of any unplanned damages to properties.

Land Acquisition Options

1. Land leasing

Voluntary land taking by a lease arrangement is an agreement between two parties formalized in a signed legally binding lease agreement with terms and conditions mutually agreed on. In negotiations, all losses accrued to legal occupiers (tenants) who will be relocated are the responsibility of the land owner. Illegal occupiers such as squatters whose livelihoods are adversely affected are entitled to resettlement assistance.

2. Voluntary Land Donation

In some circumstances, it may be proposed that part or all of the land to be used by the Project is donated on a voluntary basis, without payment of compensation. This is subject to prior Bank approval, and may be acceptable if the PIU demonstrates that: (a) the potential donor or donors have

been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The PIU will maintain a transparent record of all consultations and agreements reached. A Sample Voluntary Land Donation Form is included in Appendix C.

3. Easement for Utilities

Easements do not involve change of land ownership. Rather, the GoFSM will secure the right to use the land under agreed conditions, for the placement of utilities such as underground electricity cables, or distribution lines for above ground networks. Affected landowners are entitled to compensation for lost crops and other non-land assets. Landowners are also restricted in the use of land (e.g. no permanent structures built on it) mainly to ensure access of Utility personnel for maintenance purposes. Landowner consent for easements is sometimes acquired involuntary in that the landowner is often faced with a *fait accompli* because transmission lines are linear and therefore the siting is not flexible. Documenting losses and entitlements for easements will be captured in the LDDR.

4. Temporary land taking for contractors use during construction phase

Temporary land taking required for contractors' laydown and storage areas is typically left to the contractors to negotiate directly with local landowners during the pre-construction phase. No resettlement instrument is required. Rather, the ESMP stipulates conditions for managing impacts associated with these land use, including to ensure affected land is fully restored to its pre-project condition or better, before contractors leave. The ESMP will also require that Contractors show signed consent of landowners for the temporary use of their land before the commencement of civil works.

Preparation of Land Due Diligence Reports

Once the activities locations are known, the PIU E&S Officer, supported by the CIU Safeguards Team, shall screen each subproject and its activities to assess the likely impacts related to land and land access, consistent with ESS5 and the guidance provided in the LAP, and prepare a site-specific LDDR. The screening and assessment will include:

- i. Guidance on design and siting of works to avoid and mitigate impacts on land access or displacement;
- ii. Due diligence on land that will be used and accessed for the Project activities;
- iii. Confirmation of lease arrangements including pricing, terms, and transitional arrangements for Project-supported facilities;
- iv. Confirmation of voluntary land access arrangements;
- v. Identification of individuals who may have their access to land restricted as result of project activities and whether these impacts can be avoided or mitigated.

The procedure for preparing the LDDRs is included in Appendix A.

An example of informed consent document is included as Appendix B.

Consultations and Information Disclosure

Information regarding the sub-component objectives, processes, and timeframes will be disclosed to affected communities during project preparation.

During project implementation, specific consultation and meetings will be held with any APs if any activity is identified to take place or encroach on private land.

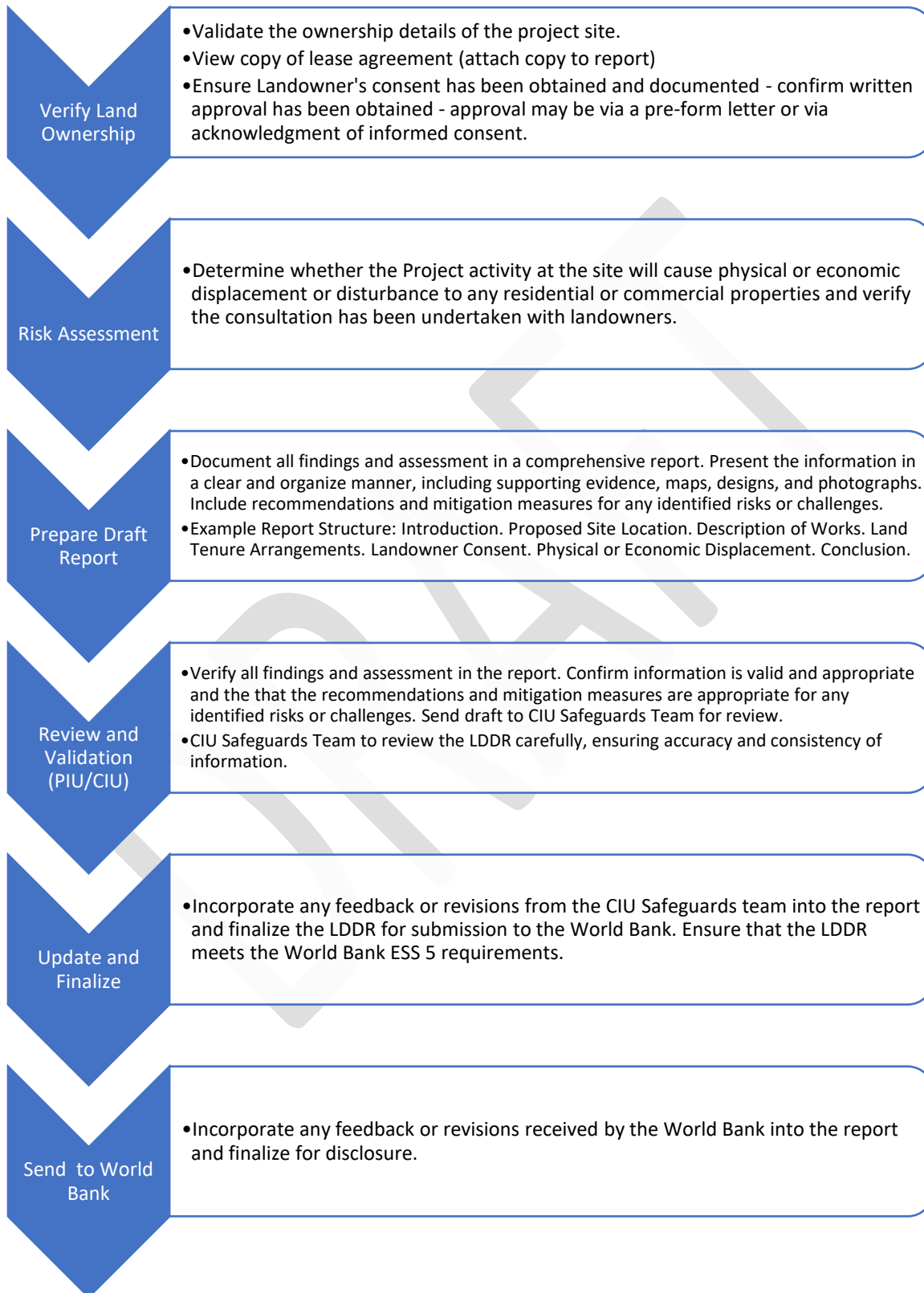
The LAP will be disclosed as part of the ESMF on the R&D and DoFA websites²⁷, prior to project appraisal. The final version of the LAP will be disclosed on the ARISE Project and World Bank websites. LDDRs shall be disclosed in a timely manner, in an accessible place and in a form and language that are understandable to key stakeholders.

Project Grievance Mechanism

The project GM is outlined in the Stakeholder Engagement Plan (SEP) and is available to any interested and/or affected persons. Where complaints cannot be resolved by the GM process, or, where a person is not satisfied with the outcome, the complainant is able to take their complaint through the normal FSM legal processes.

²⁷ <https://rd.gov.fm/energy>, <https://dofa.gov.fm/world-bank-projects/>

APPENDIX A - PROCEDURE FOR PREPARING A LAND DUE DILIGENCE REPORT



APPENDIX B - EXAMPLE OF INFORMED CONSENT DOCUMENT

Acknowledgement of Informed Consent

This is to confirm that I have signed an agreement with the [INSERT AUTHORITY] to allow access to land for installation of facilities for electricity generation or distribution associated with the ARISE Project, over which I hold ownership rights.

In agreeing for [INSERT AUTHORITY] to have access to this land, I confirm that:

- I have been advised by R&D that the [Office of the Attorney General or the District Attorney] advises that the land access agreement or lease is legally valid.
- I have entered into this transaction on the basis that I have been consulted by R&D and that I fully understand all terms and conditions spelled out in the land access agreement or lease, as well as their potential consequences.
- I have been advised that I could seek independent legal advice regarding the terms and conditions and potential consequences.
- I was aware that it was possible to refuse to enter into the agreement, and that it would not be subject to compulsory acquisition.
- I was / am aware of the project complaints or grievance redress mechanism and contact information contained therein.

Signed:

Name

Date:

Access agreement for: [Insert Name of Site]

APPENDIX C - EXAMPLE OF VOLUNTARY LAND DONATION CONSENT FORM

Date: _____

I/We: _____ male household head _____ female household head,
AND/OR person exercising custom over the affected land

Resident/s of _____ Village in _____ District _____ ,

Declare that I/We/the group is voluntarily donating the use of (specify land, assets, location, size, type etc)

For the purpose of: (specify activity)

For the duration of: (specify commencement date and duration)

Of My/Our own free will, I/We are waiving My/Our right to compensation of any kind for the specified duration of the activity.

Signed:

Male household head _____ Female household head _____

Person exercising Custom _____

ANNEX VI – LABOUR MANAGEMENT PROCEDURES

In accordance with the requirements of World Bank’s Environmental and Social Standard 2 (ESS2) on Labor and Working Conditions, a simplified LMP have been developed for the project. The LMP sets out the ways in which R&D and State Level Utilities will manage all project workers in relation to the associated risks and impacts. The objectives of the LMP are to: identify the different types of project workers that are likely to be involved in the project; identify, analyze and evaluate the labor-related risks and impacts for project activities; provide procedures to meet the requirements of ESS 2 on Labor and Working Conditions, ESS4 on Community Health and Safety, and applicable national legislation.

These LMP are included as part of the Environmental and Social Management Framework (ESMF) which is supported by the following environmental and social (E&S) instruments developed, or to be developed, to support management of the E&S aspects of the ARISE Project:

- Environmental and Social Commitment Plan (ESCP)
- Stakeholder Engagement Plan (SEP)
- Project Operational Manual (POM)

This LMP will be finalized and disclosed within 30 days of the effective date of the Financing Agreement for the Project. Disclosure will include publication on the R&D website²⁸.

The LMP is a living document and will be reviewed and updated throughout development and implementation of the Project. The PIU, with support from the CIU, will update the LMP and will be reviewed and cleared by the WB Environmental and Social Specialists.

Categorization of the Workforce

The LMPs apply to all project workers, irrespective of contracts being full-time, part-time, temporary or casual. The types of workers that will be included in the project are listed below:

- **Direct workers** – People employed or engaged directly to work specifically in relation to the Project. In accordance with para 8 of ESS2, two types of direct workers will be engaged by the Projects:
 - (i) “Direct workers – Government” are civil servants engaged by PIU who will work on either full time or part time on project development and implementation. Workers in the Government agencies are subject to standard GoFSM pay and working conditions and therefore fall outside the scope of ESS2 with the exception of Occupational Health and Safety (OHS); and
 - (ii) “Direct workers – other” are persons contracted to the Project on a full-time and part-time basis. These workers are not FSM civil servants, and therefore are subject to the relevant provisions ESS2 and this LMP.
- **Contracted workers** – People employed or engaged by third party contractors to perform work related to core function of the Project, regardless of location. Based on the definition of contracted workers in ESS2, list the types of contracted workers expected to be employed by the Project Contracted workers will include workers engaged by third parties to carry out construction

²⁸ <https://rd.gov.fm/energy>

including construction of mini-grids, installation of grid-connected solar PVs, and rehabilitation of distribution networks. Contracted staff will be subject to the LMP. Contractors will also be required to ensure that any subcontractors hired also adhere to the LMP.

- **Primary supply workers** – People employed or engaged by the primary suppliers. Primary suppliers will typically be required for small-scale civil works activities to be supported by ARISE. They may include local suppliers of construction materials (e.g., aggregates, timber, cement, roofing iron, piping, electrical supplies, etc.) and equipment (e.g., machinery, tools, etc.). Where contractors source materials or equipment directly from primary suppliers on an ongoing basis, the workers engaged by such primary suppliers are deemed "primary supply workers", as defined in WB ESS2. The number of primary supply workers associated with the Project will be estimated during the implementation phase. It is possible that there may not be any workers who fit the definition of primary supply workers, depending on supply and contracting arrangements.
- **Community workers** – People employed or engaged in providing community labor. Community workers are not proposed to be ARISE Project-related activities and are not discussed further in these procedures.

Project Labor Requirements

A summary of the Project labor requirements, including estimated number of workers and duration, is provided in Table 1 below.

Table 1 – Project Labour Requirements

Type of project workers	Project components	Characteristics of project workers	Timing of labor requirements	Indicative number of workers
Direct workers	All components	Technical staff forming the PIU and in the State governments. International and national specialist consultants. Experts hired to deliver capacity building activities.	Duration of project	10 to 30
Contracted workers	Components 1 and 2	Construction workers hired by contractors or subcontractors to complete construction of mini-grids, installation of grid-connected solar PVs, and rehabilitation of distribution networks.	Duration of small-scale civil works; however, each worker may only be required for several weeks or months.	Worker numbers will be reevaluated during preparation.

Primary supply workers	Components 1 and 2	Workers engaged by local suppliers of construction materials and equipment.	Duration of construction of small-scale civil works.	To be determined during implementation.
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The exact number, skill sets, timing and disposition of required Project workers of all categories including FSM and outside country nationalities will only be determined once implementation begins and designs are completed.

Labor Risks

The Project aims to uphold high standards of human resource management by complying with FSM national labor and OHS legislation, as well as international labor conventions ratified by FSM. Given the generally poor understanding and management of OHS risks in FSM, the Project will emphasize worker safety and risk mitigation through measures such as PPE, training, supervision, and appropriate tools. Traffic safety and the condition of vessels used for inter-island travel will also be addressed by ensuring boats are equipped with necessary safety equipment.

There is a risk that contractors and suppliers may not fully understand or comply with labor and working condition requirements, including potential issues with child labor. Therefore, it is crucial to provide them with clear information on labor standards and grievance mechanisms. Vulnerable groups, including women, children, and persons with disabilities, may face increased risks of exclusion and unequal pay. Additionally, there is a need to address potential issues of sexual harassment, exploitation, and other forms of abuse that could impact the safety and well-being of workers and local communities, potentially affecting project performance.

The most significant risks to worker health, safety and well-being are summarized in Table 2 below.:

Table 2 - Key Labour Risks

Project activity	Project component	Key labor risks
General administration and implementation (project coordination, hiring of consultants, monitoring and reporting, financial management, audits, E&S management, training, design, M&E, financial management, procurement, communications, and engineering oversight).	All Project Components	<ul style="list-style-type: none"> • Unsafe work environment and poor working conditions • Risk of travel-related incidents when visiting subproject sites and provincial offices, including motor vehicle accidents, and boating accidents. • Risk of psychological distress, fatigue, and stigma due to the nature of their work. • Risk of exposure to (and spread of) communicable disease through travel between provinces when visiting subproject sites and provincial offices. • Exposure to construction-site related risks when visiting activities under construction (see following row).

<p>Construction works associated with small-scale civil works.</p>	<p>Components 1 and 2</p>	<ul style="list-style-type: none"> • Risks of workplace accidents, particularly when operating construction equipment, when working at height, and when handling heavy equipment and materials. • Risks from exposure to hazardous substances (dust, cement, chemicals used in construction, etc.) • Terms of employment (employment period, working hours, remuneration, tax and insurance payments etc.) are not secured by contractual agreements and are not consistent with national legislation or World Bank Standards. • Workers suffer discrimination and lack of equal opportunity in employment. • Use of child or forced labor that contravenes national legislation and international conventions ratified by FSM. • Sexual exploitation and abuse/sexual harassment (SEA/SH) risks for workers. • Conflicts between workers and communities.
<p>Transportation of construction materials, equipment,</p>	<p>Component 1</p>	<ul style="list-style-type: none"> • Road traffic accidents expose workers to hazardous materials. • Risk of travel-related incidents when transporting materials and equipment including motor vehicle accidents and boating accidents. • Risks of accidents when handling heavy equipment and materials. • Risk of exposure to (and spread of) communicable diseases through travel.

Relevant National Labor Legislation

General

The Federated States of Micronesia (FSM) has national laws, including its Constitution and Annotated Code 2014, that offer some protections for labor and working conditions. These laws prohibit slavery, involuntary servitude, and discrimination, and guarantee equal protection under the law and freedom of expression and association. Significant progress has been made with the prohibition of human trafficking since 2012. However, FSM's national laws are still not fully aligned with international standards, particularly regarding child labor, discrimination, and harassment, especially against women and persons with disabilities. Efforts are underway to address these gaps, including the development of appropriate laws, regulations, and community awareness programs, but more work is needed to ensure effective implementation.

Despite FSM's ratification of some international human rights treaties, such as CEDAW, CRC, and CRPD, it has not ratified any International Labor Organization (ILO) Conventions. This creates a governance gap compared to other Pacific Island nations, posing risks for the World Bank Group and its borrowers. The lack of ILO oversight exacerbates challenges in managing labor conditions in FSM. Additionally, there are no trade unions or specific laws regarding collective bargaining or anti-union discrimination, which affects workers' rights. However, the government's commitment to upholding standards reduces these risks to a manageable level, ensuring that the World Bank Group's standards will be met.

FSM Workers Rights Legislation

FSM's national legislation, outlined in the 2014 edition of the FSM Code, provides a framework for workers' rights, particularly concerning the hiring of non-resident workers. Title 51 of the Labor Code specifies that non-resident workers, including foreign contractors and consultants, must hold work visas and comply with entry visa limits unless otherwise arranged. The Code mandates that non-resident workers obtain health certificates, have at least two years of related work experience, and ensures that any benefits provided to them are also extended to national contractors working away from their principal residence. Additionally, applications are required for foreign workers staying longer than 90 days, and minimum employment conditions apply to all foreign workers engaged in projects.

Title 52 of the Code, concerning public employment, establishes a grievance mechanism for public service employees, allowing them to raise complaints about working conditions, status, pay, and related matters. This grievance process ensures that employees are free from coercion, discrimination, and reprisals, and permits them to have representatives of their choice. While public sector employees are protected under national legislation consistent with international standards (ESS2), there is no mandated internal grievance procedure for non-public sector employees under FSM law.

Relevance of GoFSM Employment Conditions to ESS2

Freedom of Association and the Right to Collective Bargaining: FSM law does not explicitly grant workers the right to join a union, but the Constitution allows citizens to form or join associations. The FSM Public Employment Code 2014 permits national government employees to form associations to express their views to the government without facing coercion, discrimination, or reprisals. While there are no laws specifically addressing trade unions, collective bargaining, or the right to strike, workers, including foreign workers, are not prohibited from joining unions, and strikes are not explicitly banned.

Prohibition of Forced or Compulsory Labor: The constitution prohibits forced or compulsory labor.

Prohibition of Child Labor and Minimum Age for Employment: National and State laws do not establish a minimum age for employment of children.

Acceptable Conditions of Work: The FSM Public Employment Code 2014 establishes employment conditions for public service employees, including the creation of grievance mechanisms. The FSM Labor Code 2014 prioritizes employment opportunities for Trust Territory citizens in occupations and industries, ensuring that the employment of noncitizen workers does not negatively impact the wages and working conditions of Trust Territory workers.

As noted above, “Direct workers – Government” are required under ESS2 to only follow occupational health and safety measures adopted by the Project (ESS2 paragraphs 24 to 30); as well as measures to

protect the workforce in terms of child labor and forced labor (ESS 2 paragraphs 17 to 20). The following evaluation applies to these matters as they affect “Direct workers – Government” on the ARISE Project.

Child and Forced Labor

Table 3 - Child and Forced Labor Regulatory Approaches

Labor Type	Regulatory Approach
<p>Child Labor</p>	<p>ESS2 Paragraph 17 states that the labor management procedures will specify the minimum age for employment or engagement in connection with the Projects, which will be the age of 14 unless national law specifies a higher age.</p> <p>ESS2 Paragraph 19 states that a child over the minimum age and under the age of 18 will not be employed or engaged in connection with the Projects in a manner that is likely to be hazardous.</p> <p>No-one under the age of 18 will be employed or engaged on Project-related activities.</p>
<p>Forced Labor</p>	<p>Paragraph 20 of ESS2 proscribes the use of Forced labor defined as any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty.</p> <p>Procurement procedures followed on the Projects involve voluntary application for contract positions. Therefore, ESS2 Paragraph 20 does not apply.</p>

Occupational Health and Safety

There is minimal Occupational Health and Safety (OHS) legislation in FSM. For all potential Project based OHS risks, DoFA CIU has adopted World Bank Group EHS Guidelines for all staff and contractors.

The Public Employment Code (2014) requires that workers exposed to hazardous working conditions are paid 25% more. The Project is not likely to expose workers to hazardous working conditions.

A widely cited Supreme Court Decision (Amayo v. MJ Co., 10 FSM Intrm. 244, 250 (Pon. 2001)) sets out that:

“a general contractor in control of a structure or premises owes to its employees and employees of any other contractor rightfully thereon a duty to exercise ordinary care to keep the structure or premises in a safe condition for their use”

No law exists for either public or private sector workers to remove themselves from dangerous work situations without jeopardy to their continued employment.

Contractors engaged on construction works will be required to comply with OHS procedures as set out in this LMP, the ESCOP, and/or any other E&S instrument prepared for the Project (e.g. ESMP(s))

Other Project workers will similarly be subject to OHS procedures set out in this LMP, the ESCOP, and/or any other E&S instrument prepared for the Project (e.g. ESMP(s))

General Applicable Procedures

R&D, State Agencies, and contractors will apply the following guidelines when dealing with workers:

- There will be no discrimination with respect to any aspects of the employment relationship, such as: Recruitment and hiring; compensation (including wages and benefits; working conditions and terms of employment; access to training; job assignment; promotion; termination of employment or retirement; or disciplinary practices).
- Harassment, intimidation and/or exploitation will be prevented or addressed appropriately.
- Special measures of protection and assistance to remedy discrimination or selection for a particular job will not be deemed as discrimination.
- Vulnerable project workers will be provided with special protection.
- R&D and contractors will provide job / employment contracts with clear terms and conditions including rights related to hours of work, wages, overtime, compensation and benefits, annual holiday and sick leave, maternity leave and family leave. Code of Conduct included in this LMP will be applicable for all project workers.
- R&D will ensure compliance with the Code of Conduct including providing briefings/awareness raising on the Code.
- R&D and retained contractors will ensure no person under the age of 18 shall be employed. Age verification of all workers will be conducted by the contractors.
- R&D will recruit contractors and labor locally to the extent that they are available.
- Workers shall be recruited voluntarily, and no worker is forced or coerced into work.
- R&D will supervise and monitor to ensure compliance with the above requirements.
- All workers will be made aware of the Worker's Grievance Mechanism (see below) to raise work related grievances, including any sensitive and serious grievances on SEA/SH.

Occupational Health and Safety (OHS) Procedures

The objective of the procedure is to achieve and maintain a healthy and safe work environment for all project workers (contracted workers and community workers) and the host community.

- On procurement for contractors, R&D will avail the ESMF to the aspiring contractors so that contractors include the budgetary requirements for OHS measures in their respective bids.
- The contractor will develop and maintain an OHS management system that is consistent with the scope of work, which must include measures and procedures to address all the following topics listed below and in accordance with local legislation and GIIP (as defined by World Bank Group EHSs). The management system must be consistent with the duration of contract and this LMP.
- Contractor will conduct workplace hazards identification and adopt all applicable E&S risk mitigation measures in accordance with local legislation requirements and WBG EHSs.
- Contractor designates a responsible person to oversee OHS related issues at the project site and define OHS roles and responsibilities for task leaders and contract managers.
- Contractor should put in place processes for workers to report work situations that they believe are not safe or healthy, and to remove themselves from a work situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health, without fear of retaliation.
- Contractor provides preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances informed by assessment and plan. Whenever PPEs are required for the work, they must be provided at no cost for the workers.
- Contractor should assess workers' exposure to hazardous agents (noise, vibration, heat, cold, vapors, chemicals, airborne contaminants etc.) and adopt adequate control measures in accordance with local regulations and WB EHSs.

- Contractors provides facilities appropriate to the circumstances of the work, including access to canteens, hygiene facilities, and appropriate areas for rest. Where accommodation services are provided to project workers, policies will be put in place and implemented on the management and quality of accommodation to protect and promote the health, safety, and well-being of the project workers, and to provide access to or provision of services that accommodate their physical, social and cultural needs.
- Contractor provides for appropriate training/induction of project workers and maintenance of training records on OHS subjects.
- Contractor documents and reports on occupational incidents, diseases and incidents as per ESMF guidance.
- Contractor provides emergency prevention and preparedness and response arrangements to emergency situations including and not limited to workplace accidents, workplace illnesses, flooding, fire outbreak, disease outbreak, labor unrest and security.
- Contractor provides remedies for adverse impacts such as occupational injuries, deaths, disability and disease in accordance with local regulatory requirements and Good International Industry Practices.
- Contractor shall maintain all such record for activities related to safety, health and environmental management for inspection by R&D or the World Bank.

Contractor Management Procedures

The objective of this procedure is to ensure that R&D has contractual power to administer oversight and action against contractors for non-compliance with the LMP.

- R&D will make available relevant documentation to inform the contractor about requirements for effective implementation of the LMP.
- R&D will include the provisions of the ESMF, LMP, site specific ESMP(s) (if relevant), and other relevant documents into the specification section of the bidding documents. The contractors will be required to comply with these specifications.
- Contractor will raise worker awareness on the Code and Conduct.
- Contractor will show evidence of OHS and Emergency Preparedness procedures.
- R&D will monitor contract's E&S performance during its regular site visits utilizing contractor reporting or external monitoring/supervision consultants where available. Where appropriate, R&D may withhold contractor's payment or apply other contractual remedies as appropriate until corrective action(s) is/are implemented on significant non-compliance with the LMP, such as failure to notify R&D of incidents and accidents.

Procedures for Primary Suppliers

The objective of the procedure is to ensure that labor-related risks, especially child and forced labor as well as serious safety issues to the project from primary supply workers are managed. R&D and all contractors will undertake the following measures:

- Procure supplies from legally constituted suppliers.
- To the extent feasible, conduct due diligence to ensure that primary suppliers conduct age verifications, employ workers without any force or coercion, and maintain basic OHS systems.

Worker Accommodation

If accommodations are provided for workers, contractors will ensure that they are provided in good hygiene standards, with fresh drinking water, clean beds, restrooms and showers, clean bedrooms, good illumination, lockers, proper ventilation, safe electrical installation, fire and lightning protection, separate cooking and eating areas. There will be separate facilities provided for men and women. The contractors will be liable to comply with "Workers' Accommodation: Processes and Standards: A guidance Note" by IFC and the EBRD.

Institutional Arrangement for Implementation of the LMP

R&D will carry the main responsibility for the implementation and monitoring of the LMP. R&D PIU will identify subproject activities, prepare subproject designs and bidding documents, as well as procure contractors. DoFA CIU will be responsible for contractor and site supervision, technical quality assurance, certification, and payment of works. DoFA CIU will ensure that labor management procedures are integrated into the specification section of the bidding documents and the procurement contracts.

Grievance Mechanism

There will be a specific Workers Grievance Mechanism (Worker GM) for project workers as per the process outlined below. This considers culturally appropriate ways of handling the concerns of direct and contracted workers. Processes for documenting complaints and concerns have been specified, including time commitments to resolve issues. Workers will be informed about the relevant Worker GM upon their recruitment and their right to redress, confidentiality and protection against any reprisals from the employer will be stated in the contract.

Routine Grievances

The process for the Worker GM is as follows:

- Any worker may report their grievance in person, by phone, text message, mail or email (including anonymously if required) to the contractor as the initial focal point for information and raising grievances. For complaints that were satisfactorily resolved by the aggrieved worker or contractor within one week of receipt of complaint, the incident and resultant resolution will be logged and reported monthly to the R&D.
- If the grievance is not resolved within one week, the contractor (or the complainant directly) will refer the issue to the State Utility Agency. The State Utility Agency will work to address and resolve the complaint and inform the worker as promptly as possible, in particular if the complaint is related to something urgent that may cause harm or exposure to the person. For non-urgent complaints, the State Utility Agency will aim to resolve complaints within 2 weeks. For complaints that were satisfactorily resolved by State Utility Agency, the incident and resultant resolution will be logged by the State Utility Agency and reported monthly to the R&D as part of regular reporting. Where the complaint has not been resolved, the State Utility Agency will refer to R&D for further action or resolution.

The workers will preserve all rights to refer matters to relevant judicial proceedings as provided under national labor law.

At R&D level, each grievance record should be allocated a unique number reflecting year, sequence and township of received complaint. Complaint records (letter, email, record of conversation) should be stored together, electronically or in hard copy. The R&D will appoint a Worker GM Focal Person, who will be responsible for undertaking a monthly review of all grievances to analyze and respond to any common issues arising. The Focal Person will also be responsible for oversight, monitoring and reporting on the Worker GM.

Serious Grievances

In case a worker experiences serious mistreatment such as harassment, intimidation, abuse, violence, discrimination or injustice at the workplace, the worker may raise the case, verbally or in writing directly to the contractor or R&D. The contractor will immediately refer the case to R&D. The R&D will immediately investigate the case respecting confidentiality and anonymity of the worker.

Upon project effectiveness, the R&D will designate a Focal Person or Persons for Serious Grievances. These Focal Persons will receive training in investigating serious grievances, relevant laws and regulations, and World Bank standards including the rights of people who file a grievance. R&D and the World Bank will jointly develop culturally-sensitive and locally-appropriate roles and responsibilities, and procedures.

In case a direct worker or civil servant has a serious grievance, the staff may directly contact verbally or in writing the Focal Person for Serious Grievances.

All complaints received will be filed and kept confidential. For statistical purposes, cases will be anonymized and bundled to avoid identification of persons involved.

Code of Conduct

- Treat women, children (persons under the age of 18), and men with respect regardless of ethnicity, language, age, religion, political or other opinion, national, social origin, citizenship status, property, disability, birth or other status.
- Do not use language or behavior towards women, children or men that is inappropriate, harassing, abusive, racist, sexually provocative, demeaning, or culturally inappropriate.
- Do not participate in sexual activity with community members.
- Do not engage in sexual favors or other forms of humiliating, degrading or exploitative behavior.
- Do not engage in any activity that will constitute payment for sex with members of the communities surrounding the workplace.
- Report through the Worker GM suspected or actual gender-based violence against a person of any gender by a fellow worker or any breaches of this Code of Conduct.
- Use any computers, mobile phones, or video and digital cameras appropriately, and never to exploit or harass women, children, or other vulnerable person through these mediums.
- Comply with all relevant local legislation.
- Engaging in any of the prohibited activities above can be cause for termination of employment, criminal liability, and/or other sanctions.

Template on Contract for Code of Conduct

We are the Contractor/Employer, [enter name of Contractor/Employer]. We have signed a contract with [R&D/State Utility] for [enter description of the Works]. These Works will be carried out at [enter the Site and other locations where the Works will be carried out]. Our contract/employment conditions require us to implement measures to address environmental and social risks related to the Works, including the risks of sexual exploitation and abuse, gender-based violence, and violence against children.

This Code of Conduct is part of our measures to deal with environmental and social risks related to the Works. It applies to all our staff, laborers and other employees at the Works Site or other places where the Works are being carried out. It also applies to the personnel of each subcontractor and any other personnel assisting us in the execution of the Works. All such persons are referred to as “Contractor/Employer’s Personnel” and are subject to this Code of Conduct.

This Code of Conduct identifies the behavior that we require from all Contractor/Employer’s Personnel.

Our workplace is an environment where unsafe, offensive, abusive or violent behavior will not be tolerated and where all persons should feel comfortable raising issues or concerns without fear of retaliation.

REQUIRED CONDUCT

Contractor/Employer’s Personnel shall:

Carry out his/her duties competently and diligently;

1. Carry out his/her duties competently and diligently;
2. 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;
3. Maintain a safe working environment including by:
 - a) ensuring that workplaces, machinery, equipment and processes under each person’s control are safe and without risk to health;
 - b) wearing required personal protective equipment;
 - c) using appropriate measures relating to chemical, physical and biological substances and agents; and
 - d) following applicable emergency operating procedures.
4. Report work 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;
5. Treat other people with respect, and not discriminate against specific groups such as women, people with disabilities, migrant workers, or children;
6. Not engage in any form of sexual harassment including unwelcome sexual advances, requests for sexual favors, and other unwanted verbal or physical conduct of a sexual nature with other Contractor’s or Employer’s Personnel;
7. Not engage in Sexual Exploitation, which means any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. In World Bank

- financed projects/operations, sexual exploitation occurs when access to or benefit from Bank financed Goods, Works, Consulting or Non- consulting services is used to extract sexual gain;
8. Not engage in Rape, which means physically forced or otherwise coerced penetration—even if slight—of the vagina, anus or mouth with a penis or other body part. It also includes penetration of the vagina or anus with an object. Rape includes marital or intimate partner rape and anal rape/sodomy. The attempt to do so is known as attempted rape. Rape of a person by two or more perpetrators is known as gang rape;
 9. Not engage in Sexual Assault, which means any form of non-consensual sexual contact that does not result in or include penetration. Examples include: attempted rape, as well as unwanted kissing, fondling, or touching of genitalia, breasts, or buttocks, do not engage in any form of sexual activity with individuals under the age of 18, except in case of pre-existing marriage;
 10. 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);
 11. Report violations of this Code of Conduct; and
 12. Not retaliate against any person who reports violations of this Code of Conduct, whether to us or the Employer, or who makes use of the [Project Grievance Mechanism].

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 using the Project Grievance Mechanism process.

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.

CONSEQUENCES OF VIOLATING THE CODE OF CONDUCT

Any violation of this Code of Conduct by Contractor/Employer's Personnel may result in serious consequences, up to and including termination and possible referral to legal authorities.

FOR CONTRACTOR/EMPLOYER'S PERSONNEL:

I have received a copy of this Code of Conduct written in a language that I comprehend. I understand that if I have any questions about this Code of Conduct, I can contact [*enter name of Contractor/Employer's contact person with relevant experience in handling gender-based violence*] requesting an explanation.

Name of Contractor/Employer's Personnel: [insert name]

Signature: _____

Date: (day month year): _____

ANNEX VII - CHANCE FINDS PROCEDURES FOR CULTURAL ITEMS AND UXO

Cultural Heritage Chance Finds 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, resources or artifacts 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. These procedures take into account requirements related to Chance Finding under national legislation including the FSM Environmental Protection Act (2014):

- Stop the earthworks, construction, or land clearing activities around the chance find temporarily;
- Delineate the discovered site or area;
- 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 and the relevant Ministry take over;
- Notify the supervisory Engineer who in turn will notify the responsible local authorities and the relevant Ministry immediately;
- Responsible local authorities and the relevant Ministry would oversee protecting and preserving the site before deciding on subsequent appropriate procedures;
- Decisions on how to handle the finding shall be taken by the responsible authorities and the relevant Ministry;
- Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the relevant Ministry; and
- Construction work could resume only after permission is given from the responsible local authorities and the relevant Ministry concerning safeguard of the heritage.

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

Relevant findings will be recorded in World Bank Supervision Reports and Implementation Completion Reports will assess the overall effectiveness of the project's cultural heritage mitigation, management, and activities.

Unexploded Ordinances (UXO) Chance Finds Procedures

In the event of a suspicious Unexploded Ordinance (UXO) discovery, the following risk mitigation measures should immediately be followed:

- The Contractor must immediately stop work and clear the work site of all personnel.
- The area must be cordoned off appropriately.
- Physical measures must be put in place to avoid unauthorized tampering of the UXO find.
- Highly visible signs are to be installed at the HIGH-RISK area.
- The UXO risk is to be communicated to surrounding communities.

The UXO chance find should be immediately reported to the Supervising Engineer, the R&D PIU, the Police, and the World Bank.

The R&D PIU will be responsible for arranging the assessment, mitigation, and/or elimination of any UXO-related hazard, along with other responsible authorities.

No works shall recommence on site until instruction has been received from the Police and the R&D PIU.

Relevant findings will be recorded in World Bank Supervision Reports and Implementation Completion Reports will assess the overall effectiveness of the project's UXO chance finds procedures.

ANNEX VIII – EXAMPLE ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT CLAUSES FOR TORs

For technical advisory activities, the TORs for the consultancy shall include all or some of the following E&S risk management clauses, as is appropriate:

1. Outcomes and outputs, such as policy, studies, recommendations, and advice, must be consistent with the World Bank ESF and its standards, good international industry practice (GIIP), the project E&S risk management documents²⁹, and FSM National and State law.
2. Recommendations must consider downstream impacts on community and worker health and safety and avoid recommendations that would negatively impact safe working conditions and/or community health and safety.
3. Recommendations must consider the direct and/or downstream and cumulative impacts on resource use efficiency and refer to relevant good international industry practice, including the mitigation hierarchy, for pollution control.
4. Recommendations must consider the direct and/or downstream impacts on land acquisition and access and livelihoods and where necessary, include a requirement for minimizing or avoiding involuntary land acquisition, involuntary resettlement, or involuntary restriction of access to assets.
5. Recommendations must consider whether vulnerable and traditionally disadvantaged groups (as identified in the Project SEP) will be disproportionately impacted.
6. Recommendations must consider the direct and/or downstream impacts on land clearance, natural habitats such as forests, and reduction in biodiversity.
7. Recommendations must avoid any negative downstream impacts of activities on critical natural habitats.
8. Recommendations must avoid direct or indirect negative impacts on both tangible and intangible cultural heritage, including burial sites.
9. Recommendations must consider whether direct and/or downstream impacts will lead to increased SEA/SH/GBV/VAC risks and where necessary, include a requirement for minimizing or avoiding.
10. If applicable, the consultant/s must undertake due diligence on any goods, hardware, or software procured to ensure that it causes no adverse environmental, social or health and safety impacts.
11. The consultant(s) must carry out a stakeholder gap analysis to identify any relevant stakeholders that might not have been identified during the development of the Project's SEP.
12. The consultant(s) must consult with and engage relevant stakeholders, and the public where necessary, throughout the activity to gather and share information in accordance with the Project SEP.
13. The consultant(s) will submit any relevant outputs (studies etc.) to the PIU and CIU to review for consistency with the World Bank ESF and its standards, the project E&S risk management documents³⁰, GIIP and FSM National and State law. The consultants should provision to address WB comments.
14. The consultant(s) will assist the PIU to disclose all outputs and studies developed.

²⁹ ESMF, SEP, POM, ESCP

³⁰ ESMF, SEP, POM, ESCP