

Social Assessment

May 2017

CEPF Grant 66426

The Nakau Programme Ltd

Supporting Innovative Financing for Biodiversity Conservation through Piloting Eco-Certification for Tourism in Vanuatu

Vanuatu, East Melanesian Hotspot

Grant Summary

1. Grantee organization. The Nakau Programme Ltd
2. Grant title. *Supporting Innovative Financing for Biodiversity Conservation through Piloting Eco-Certification for Tourism in Vanuatu*
3. Grant number 66426
4. Grant amount (US dollars). 169,902
5. Proposed dates of grant. 1 June 2017 – 31 May 2019
6. Countries or territories where project will be undertaken. Vanuatu
7. Date of preparation of this document. 06 April 2017

8. Indigenous People affected: This section will describe the Indigenous People in the project area.

1. Tanna

The project team have not travelled to the community of Green Hill in Tanna but have extensive experience working more broadly across the island. Tanna is the most densely populated island in Vanuatu. Its volcano and commitment to maintaining local custom have made Tanna a tourism hot spot in Vanuatu. With a new international airport, ring road and new resorts planned for the next 5 years, pressure on Tanna's resources will continue to increase. The community of Green Hill sit within a priority KBA. Their role as custodians of this high biodiverse area will be challenged in years to come as increasing pressures on resource extraction reach their part of the island. The opportunity for tourism to finance the protection of Green Hill is an opportunity for the community of Green Hill and a benefit for the rest of the island.

2. Gaua

Dolav is the largest community (200 people) on the isolated West Coast of the island of Gaua. Gaua is a Key Biodiversity Area with Lake Letas in the middle of the island.

With Gaua a new tourism hot spot, Dolav community have been keen to be a part of the sector but are hindered by no road access. Some private yachts come to Dolav each year and the community want to improve their livelihoods by taking advantage of this opportunity to earn an income. In addition to this, Dolav's remoteness makes them almost completely self-reliant for food and resources. The community is keen to undertake land use planning to better manage their resources.

3. Santo

Santo is the largest island in Vanuatu. The people of the Santo Mountain Chain speak many diverse languages and formal schooling is conducted in both French and English. The Santo Mountain Chain is a rugged mountain range which makes access to these communities challenging. Many communities still live in traditional ways including 'man bus' who do not dress in western clothes or speak the national language, 'Bislama.' Many communities in the Santo Mountain Chain travel long distances to the capital, Luganville, to sell kava, coconuts for copra or mixed food crops. The main driver of this livelihood is the need to raise money for their children's education. The increased desire to enter the cash economy is resulting in less sustainable agriculture through mono-cropping and large scale slash and burn practices.

9. Summary of the proposed project: This section will describe what you plan to do and how you plan to do it, with a particular focus on activities implemented in areas inhabited and/or used by Indigenous People.

1. Tanna

With a focus on the Blue Hill community within the priority KBA of Green Hill, the project will develop a Scoping Study of what options are available for finance to be generated out of the tourism sector to support the conservation of Green Hill. Activities that will be assessed will

include development of an ecotourism product in Green Hill, sponsorship of a Community Conservation Area (CCA) by a tourism operator and Agritourism. The project will talk to stakeholders from the tourism industry and Provincial Government in Tanna as well as with the Department of Tourism. A workshop with the Blue Hill community will occur to hear their aspirations for the Green Hill area.

2. Gaua

The project will undertake the process of developing a CCA with Dolav community in Gaua. The Department of Environmental Protection and Conservation has a prescriptive process for developing a CCA which includes documented consultations in the community, mapping and biodiversity surveys as well as a range of meetings leading to approval by all levels of local and provincial governance of the planned CCA. As part of the CCA development process the project will also provide expert advice to the Dolav community on how to improve its tourism product of an Annual Arts Festival. The project will also work with the community to develop a basic access fee process so that the CCA has potential to become financially sustainable.

3. Santo

The project will work with an as yet unidentified community in the priority KBA of the Santo Mountain Chain to develop a conservation product that can attract funding from large tourism operators on the island of Santo who are seeking Eco Certification. This product may be a hiking tour or an agri-tourism product that provides conservation outcomes.

10. Potential impacts: This section will assess expected project impacts (both positive and negative) on Indigenous People.

1. Tanna

This project will only undertake a scoping study so there will be minimal implementation to generate negative impacts on the ground. The major risk in this aspect of the project is from raised expectations as part of the study resulting from misconceptions about what the project will achieve. A positive impact will be an expert report analyzing opportunities for further achievements to support the Blue Hill community and Green Hill KBA.

2. Gaua

The Dolav community have been planning for a CCA since 2014. This project will help them realise this goal and in doing so support conservation and livelihoods for the community through protected ecosystem services while generating income for the community through tourism. The demarcation of boundaries for the CCA have already been determined by the community. Whenever custom land is mapped however, there is potential for conflict. Conflict could hinder the project and generate a negative impact within the community.

3. Santo

The project will hopefully source a new income stream and livelihood for one community in the Santo Mountain Chain which supports the sustainable management of their resources and promotes conservation. Should the community not adequately manage the finances generated, the project could end due to conflict.

11. Participatory preparation: This section will describe the participation of affected communities during the project design process (i.e. prior to submission of the full proposal), and explain how Free, Prior and Informed Consent was obtained.

1. Tanna

FPIC has not yet been obtained by the project for work in Green Hill as it was added to the project late in the development stage. CEPF has had recent discussions with the community and believe they will be keen to participate. Seeking FPIC will occur prior to any other project activities occurring in Green Hill. Provincial Government workers will be sought to assist in obtaining written consent to undertake the work.

2. Gaua

The Dolav community have been working with LLV (sub grantee) for the past 3 years. They are keen to develop a CCA and have been waiting for further funding to progress it as part of their Action Plan developed in partnership with LLV. While LLV has already worked with Dolav community prior to achieve their conservation goals, it will be necessary, as a first step, to receive permission from the community to undertake the CCA as previously planned. This FPIC step will be achieved prior to any other activities in Gaua. Dolav community are very remote and it costs a huge amount to travel to the site (approx. >USD1200 per trip) which restricts the option for FPIC to be undertaken in person. Fortunately, in recent months the mobile coverage to the island has improved which means that FPIC can be undertaken via the phone. LLV will work through their key contact in Dolav to seek verbal approval from the community and will ensure that written consent can be followed up on the first trip to the community.

3. Santo

A community will be targeted during the first 6 months of the project. The project will ensure that formal endorsement by the community leaders and any other relevant indigenous leaders is sought prior to beginning project work.

12. Mitigation strategies: This section will outline measures to avoid adverse impacts and provide culturally appropriate benefits.

1. Tanna

Once FPIC is sought, through the Blue Hill existing connection with CEPF in-country staff, the scoping study will facilitate its interventions into the community through the formal channels. The Provincial Government, Department of Tourism, Area Council and Chiefs will be formally advised and a request sent for a workshop. The workshop will be undertaken in Bislama. Lear workshop objectives will be presented at the workshop to clarify the role of the project and to reduce the risk of raised expectations. The workshop will focus on obtaining views on aspirations of community members rather than discussing any future opportunities that may or may not be viable.

2. Gaua

The CCA process has clear and rigid expectations on consultation and requires evidenced effective community consultations in the design of the CCA. The satisfaction of community members and surrounding chiefs in the area is sought and documented as part of the process to ensure that conflicts are dealt with, documented and that all parties are in agreeance.

The CCA process is completely voluntary for custom landowners within the CCA area. They elect what restrictions they wish to place on the area's resources. There will be no involuntary

restrictions placed upon custom landowners within the project area. This process supports the custom laws of Gaua, mitigating conflict in future.

Simple, picture-oriented documentation for the flow of funds generated by tourism fees will be developed for the community to ensure that the plan for the use of the funds is clear to all. A process for ensuring transparency will be built into the policy developed as part of the Land Management Plan for the Land Management Committee.

3. Santo

Sub grantee, LLV, has worked in Santo for 20 years and has a lot of experience on the island. Developing clear financial management strategies for the community in question and monitoring them throughout the project period will be crucial to mitigating conflict. LLV and Nakau will use the Nakau Programme Methodological guidance for benefits sharing and participative decision making to mitigate impacts of misinformation, jealousy and poor financial management.

13. **Monitoring and evaluation:** This section will explain how compliance with the safeguard policy on Indigenous Peoples will be monitored, and reported to CEPF and/or the Regional Implementation Team. Monitoring and evaluation methodologies should be adapted to the local context, indicators, and capacity.

Tanna - The project will seek formal permission of Green Hill community and the Provincial Government prior to starting the scoping study in Tanna. The study will consist of one meeting in Green Hill where the purpose of the study will be made clear. It is very important not to raise the expectations of the community through this study. Live & Learn Vanuatu will ensure correct translation and the community members will be given many opportunities to raise their views and opinions during the workshop. The chiefs and community leaders will be briefed prior to the meeting to ensure they are satisfied with the workshop content. The Provincial Government will be asked to have a representative present who can support the project by answering questions that may arise after the visit.

The Project Manager will undertake a follow up email with the provincial Government representative to ensure the process has been managed smoothly and will report to CEPF any challenges the project faced in working to safeguards.

Dolav - The CCA process in Dolav community requires a high standard of Free Prior and Informed Consent in order to achieve registration by the Vanuatu Government. Sign off by the community, community leaders and island chiefs will help to ensure safeguards have been followed.

Santo Mountain Chain - The project will seek formal permission of the as yet unselected community in the Santo Mountain Chain and the Provincial Government prior to starting the PES aspect of the project in Santo. The PES aspect of the project will follow a simplified version of the Nakau methodology which is validated at world's best standard for social safeguards (through Plan Vivo). The process taken will be documented allowing each step to be monitored by the Project Manager and senior staff at the Nakau Programme. The final deliverable, a PES Agreement, requires high level consultation with the community and must document a process of FPIC has been satisfied prior to any signing of the agreement by the community leaders.

The project will request feedback from all field staff and provide 6 monthly reports on Safeguards to CEPF.

14. Grievance mechanism: All projects that trigger a safeguard are required to provide local communities and other interested stakeholders with means by which they may raise a grievance with the grantee, the relevant Regional Implementation Team, the CEPF Secretariat or the World Bank. Affected local communities should be informed of the objectives of the grant and the existence of a grievance mechanism. Contact information of the grantee, the Regional Implementation Team and the CEPF Grant Director should be made publicly available, through posters, signboards, public notices or other appropriate means in local language(s). Grievances raised with the grantee should be communicated to the Regional Implementation Team and the CEPF Grant Director within 15 days, together with a proposed response. If the claimant is still not satisfied following the response, the grievance may be submitted directly to the CEPF Executive Director via the dedicated email account (cepfexecutive@conservation.org) or by mail. If the claimant is not satisfied with the response from the CEPF Secretariat, the grievance may be submitted to the World Bank at the local World Bank office. Please describe the grievance mechanism that you will use for your project, and how you will ensure that stakeholders are aware of it.

At every community interaction the community will be advised of who they can discuss a project-related grievance with. Contact information of the grantee, the Regional Implementation Team and the CEPF Grant Director will be made publicly available, through the community notice board or similar and written in Bislama. Chiefs, Area Councilors and Provincial Government Representatives will have contact details for Live & Learn Vanuatu, the Regional Implementation Team and the CEPF Grant Director.

As per local custom law in Vanuatu, grievances must first be addressed within the community. The Chief or community leader will either address the grievance themselves or raise it with the project team. Serious grievances that cannot be resolved at this level will be taken to the local Council of Chiefs and Provincial Government.

Often grievances at the community level will not automatically be shared with the project team especially where outsiders are involved. Here, Live & Learn Vanuatu play a central role as Ni-Vanuatu Team members in building and maintaining the trust necessary for grievances to become known to the team before they become serious risks to the project. Our female Ni-Vanuatu team members are especially important here in being in a position to hear the needs of disadvantaged people within the communities. Grievances raised with the grantee should be communicated to the Regional Implementation Team and the CEPF Grant Director within 15 days, together with a proposed response. If the claimant is still not satisfied following the response, the grievance may be submitted directly to the CEPF Executive Director via the dedicated email account (cepfexecutive@conservation.org) or by mail.

Grievances will be monitored by the Project Manager who will ask all team members to report any grievances they have encountered during the project. A report will be provided to CEPF every 6 months.

15. Budget: This section will summarize dedicated costs related to compliance with the safeguard policy on Indigenous Peoples. These costs should be incorporated into the budget of the CEPF grant and/or covered by co-financing.

The project dedicates project management staff time for compliance with the safeguard policy. They have been incorporated as Component 7 of the Logframe. The budget allows time for the

development of a complaints management system and sign off by national stakeholders within the first 6 months of the project. Funds have been also allocated to 6 monthly and final reporting.