



# ANNUAL REPORT – JANUARY-DECEMBER 2019

## Vanuatu Infrastructure Reconstruction and Improvement Project

### [Abstract](#)

This Quarterly Report describes the progress, issues challenges and recommendations for project implementation and management of the Vanuatu Infrastructure Reconstruction and Improvement Project (VIRIP).

Date: 20 January 2020

**Republic of Vanuatu: Vanuatu Infrastructure Reconstruction and Improvement Project  
Quarterly Report – July - September 2019**

Financed by:

**The World Bank  
The Government of Vanuatu**

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For : Project Implementation Committee, World Bank and Central Tenders Board (CTB)

**Notice**

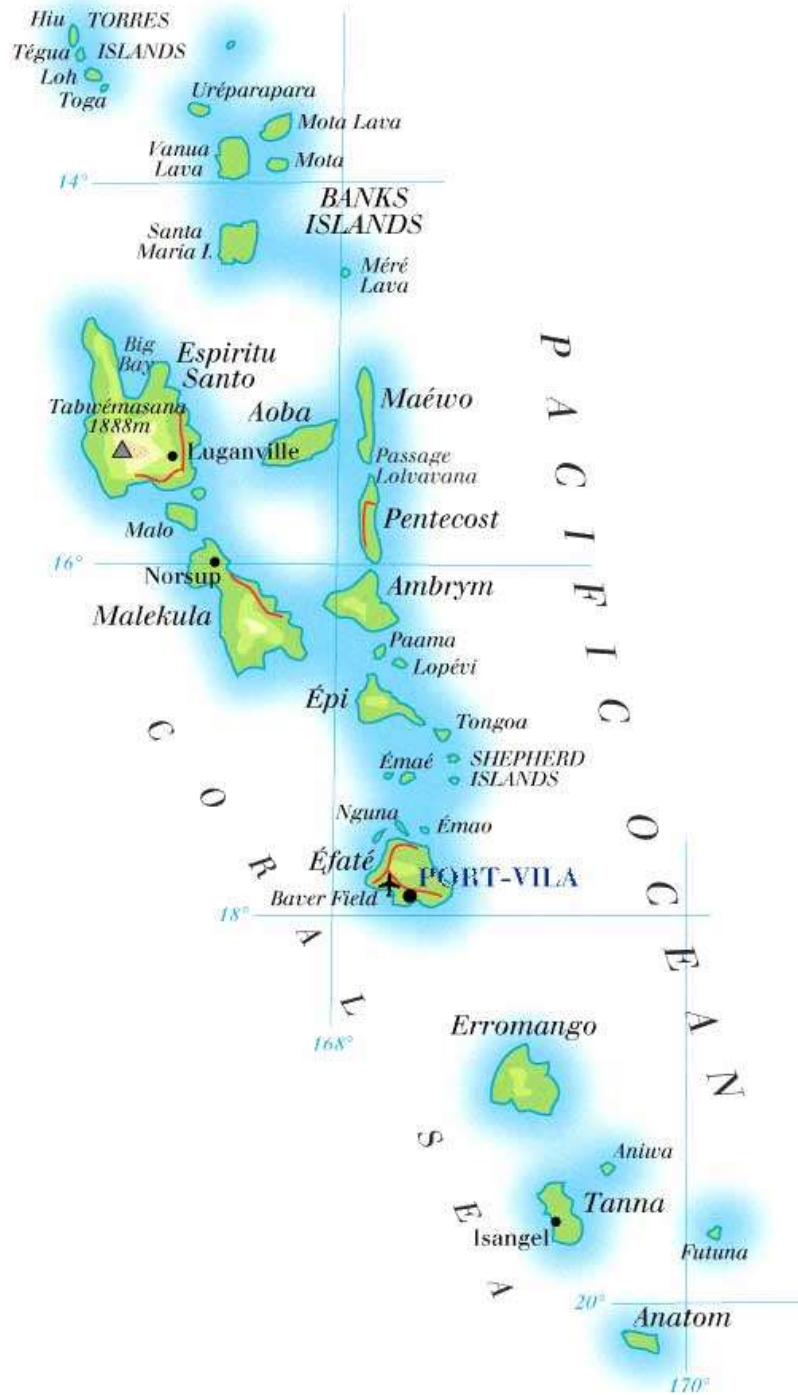
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## Abbreviations

<b>AUD</b>	Australian Dollar	<b>PAD</b>	Project Appraisal Document
<b>CERC</b>	Contingency Emergency Response Component	<b>PCR</b>	Physical Cultural Resources
<b>CRW</b>	Crisis Response Window	<b>PCRAFI</b>	Pacific Catastrophe Risk Assessment and Financing Initiative
<b>DA</b>	Designated Account	<b>PDNA</b>	Post-Disaster Needs Assessment
<b>DSPPAC</b>	Department of Strategic Planning, Policy and Aid Coordination	<b>PDO</b>	Project Development Objective
		<b>PIC</b>	Project Implementation Committee
<b>EMP</b>	Environmental Management Plan	<b>PMO</b>	Prime Minister's Office
<b>ESMF</b>	Environmental and Social Management Framework	<b>PMU</b>	Project Management Unit
<b>GDP</b>	Gross Domestic Product	<b>POM</b>	Project Operations Manual
<b>GoA</b>	Government of Australia	<b>PPN</b>	Policy and Practice Note
<b>GoNZ</b>	Government of New Zealand	<b>PRIF</b>	Pacific Regional Infrastructure Facility
<b>GoV</b>	Government of Vanuatu	<b>PSC</b>	Project Steering Committee
<b>GPSS</b>	Global Program for Safer Schools	<b>PST</b>	Project Support Team
<b>GRS</b>	Grievance Redress Service	<b>PWD</b>	Public Works Department
<b>HIES</b>	Household Income and Expenditure Survey	<b>RPC</b>	Recovery Program Committee
<b>IBCs</b>	Island Based Contractors	<b>RPCo</b>	Recovery Program Coordinator
<b>ICB</b>	International Competitive Bidding	<b>R4D</b>	Roads for Development
<b>IDA</b>	International Development Association	<b>SDR</b>	Special Drawing Rights
<b>IRCCNH</b>	Increasing Resilience to Climate Change and Natural Hazards Project	<b>SORT</b>	Systematic Operations Risk-Rating Tool
<b>MIPU</b>	Ministry of Infrastructure and Public Utilities	<b>SRDP</b>	Strategy for Climate and Disaster Resilient Development in the Pacific
<b>MoET</b>	Ministry of Education and Training	<b>TC Pam</b>	Tropical Cyclone Pam
<b>NGO</b>	Non-Government Organisations	<b>USD</b>	United States Dollars
<b>NRESP</b>	National Recovery and Economic Strengthening Program	<b>VERM</b>	Vanuatu Education Road Map
<b>NZD</b>	New Zealand Dollar	<b>VESP</b>	Vanuatu Education Sector Program
<b>OP/BP</b>	Operational Procedure/Bank Policy	<b>VESS</b>	Vanuatu Education Sector Strategy
<b>VIRIP</b>	Vanuatu Infrastructure Reconstruction and Improvement Project		
<b>VMDRR</b>	Mainstreaming Disaster Risk Reduction Project		
<b>WB</b>	World Bank		



**PROJECT KEY PLAN**

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## Basic Data

<b>Credit No:</b>	5847-VU
<b>Grant No</b>	D122-VU
<b>Project Title</b>	Vanuatu Infrastructure Reconstruction and Improvement Project
<b>Borrower</b>	Government of the Republic of Vanuatu
<b>Executing Agency</b>	Ministry of Finance and Economic Management
<b>Implementing Agency</b>	Ministry of Infrastructure and Public Utilities (through the Public Works Department)
<b>Other Key Agency</b>	Ministry of Education and Training

<b>Financing Plan:</b>	<b>Amount (million)</b>	<b>Share of Total (%)</b>
<b>World Bank Credit</b>	SDR17.65 (USD25 equivalent)	50%
<b>World Bank Grant</b>	SDR17.65 (USD25 equivalent)	50%
<b>Total Estimated Project Cost</b>	USD50	100%

<b>Financing Agreements signed:</b>	2 August 2016
<b>Effective Date of Project</b>	6 March 2017 <sup>1</sup>
<b>Project Closing Date</b>	30 April 2022
<b>Dates of World Bank Mission(s)</b>	5 - 13 August 2019

## Project Purpose

The project development objective (PDO) is to reconstruct and/or improve the disaster and climate resilience of selected public sector assets in provinces impacted by Tropical Cyclone Pam, and to provide immediate and effective response to an Eligible Crisis or Emergency. Achievement of the PDO will be measured by the following indicators:

- Population on project islands with improved road and pedestrian access (number, with sub-indicator of breakdown of percentage of women/men); and
- Number of users/beneficiaries of schools reconstructed and upgraded to higher structural safety standards (number, with sub-indicator of breakdown of percentage of women/men).

The Project consists of the following parts:

### **Part 1. Road Reconstruction and Improvement. USD26 million**

- Carrying out road repair works and undertaking spot improvements to road sector assets affected by Tropical Cyclone Pam, including improving the resilience of road sector assets in provinces affected by Tropical Cyclone Pam.
- Provision of technical support for the design and supervision of the civil works under this part of the Project.

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<sup>1</sup> The effective date started on 6 March 2017 with the arrival of the PMC.

**Part 2. School Reconstruction and Improvement. USD13 million**

- Reconstruction, rehabilitation, repair, or retrofit of schools affected by Tropical Cyclone Pam, including improving the resilience of schools in provinces affected by Tropical Cyclone Pam.
- Construction or reconstruction of at least one disaster resilient building, in selected schools, that complies with technical standards required for evacuation centres.
- Carrying out a program of activities designed to improve water supply and sanitation facilities and other amenities in schools affected by Tropical Cyclone Pam.
- Provision of technical support for the design and supervision of the civil works under this part of the Project.

**Part 3. Public Building Reconstruction and Improvement. USD6.5 million**

- Reconstruction, rehabilitation, improvement, or retrofit of Selected Public Buildings affected by Tropical Cyclone Pam, including improving the resilience of Selected Public Buildings in provinces affected by Tropical Cyclone Pam.
- Provision of technical support for the design and supervision of the civil works under this part of the Project.

**Part 4. Project Implementation and Technical Support. USD4.5 million**

- Carrying out a program of activities designed to enhance the capacity of the Recipient for Project management, implementation, coordination, monitoring and evaluation of the Project, such program to include the establishment and maintenance of a Project support team.
- Provision of technical assistance to support the Recipient in reviewing and assessing the existing legislative and institutional framework for the creation of a sustainable source of funding for maintenance of road assets and/or schools and/or Selected Public Buildings and developing action plans and/or recommendations to strengthen such legislative and institutional framework so as to improve its implementation.
- Carrying out a program of activities designed to build the capacity of outer-island contractors and communities to participate in improvement works to road sector assets and/or schools and/or Selected Public Buildings under the Project and providing training to said communities on safe building construction methods.

**Part 5. Contingency Emergency Response. USD Nil.**

- Carrying out a program of activities designed to provide rapid response to an Eligible Crisis or Emergency, as needed.
- There have been no scope changes within this project to date and the implementation arrangements as described in the Financing Agreement, dated 2 August 2016 remain essentially unchanged.

## Executive Summary

The Vanuatu Infrastructure Reconstruction and Improvement Project (VIRIP) is a Government of Vanuatu (GoV) led and World Bank finance project aimed to support GoV's reconstruction and recovery efforts following the impact of Tropical Cyclone (TC) Pam in March 2015. The project development objective (PDO) of the project is to *reconstruct and/or improve the disaster and climate resilience of selected public sector assets in provinces impacted by Tropical Cyclone Pam, and to provide immediate and effective response to an Eligible Crisis or Emergency.*

The Mid Term Review (MTR) occurred during early August 2019 with a follow-up Financial Management mission in October 2019. During the first part of the MTR the Government and World Bank actively reviewing the progress to date and the future needs of the project. The key recommendations from the Government were reviewed and there was general agreement to those recommendations.

The following recommendations were raised for discussion during the MTR as important changes to the overall strategic intent and/or direction of the project. Some suggested considerations provided by the Government for change included:

- **Relevancy.** It was recognised that the project needs to emphasise its ability to improve resilience, across all Parts of the project, and move away from the emphasis of reconstruction.
- **Governance.** It was recognised that the role and function of the NRC should be recognised, together with its relationship to the PIC.
- **Institutional Stream.** It was recognised that the institutional stream is growing in prominence and value. There are significant costs associated with the roll-out of the NDRF and the budget was broadly agreed. It was generally agreed with the Bank that the NDRF is an important project output and outcome and will involve the establishment of key systems and process including procurement, finance, and overall technical assistance, to funding of recovery unit. It was generally agreed VIRIP has an important role to play but the scope of involvement and level of investments needs to be discussed with the Bank.
- **Communications.** It was agreed that resources need to be allocated to effective communications. This will provide adequate exchange of information and direction, reduce misinformation, improve perceptions and meter expectations.
- **Procurement.** There was a recognition of the lack of local contractor capacity. VIRIP will have an agreed capacity development programme for local contractors. In line with the NDRF, VIRIP procurement systems must be more fully aligned and harmonised, to the extent possible.
- **M+E.** It was agreed that the results framework was designed to build upon the results framework in the PAD, but there will be changes to the results framework to better reflect the project outputs and outcomes.
- **IBCs.** It was agreed to continue to use Island Based Contractors, as long as adequate justification is provided.

The World Bank reviewed the quality of work on site and was generally pleased with the results. VIRIP has continued to work with the GoV to action the recommendations and identify key strategies going forward.

The overall budget position of VIRIP has been reviewed. Based on the current SDR:USD foreign exchange rate, VIRIP has USD48.73 million, representing a loss of USD1.27 million since the design of the project. At the same time, the Engineer Estimates have been updated and the physical contingencies (variations) more fully understood. As such, a number of activities have been removed as 'unallocated'. Some of these activities may be reintroduced or other added to unallocated depending upon the future tendered prices.



The World Bank acknowledged that if the project to continue on its current pace and performance, that it believes the project will be successful in achieving the project development objective, should be completed within the project closing date and within budget. In late 2019, the issue of Additional Financing (AF) was raised as a possible option. This will be a key discussion point with the GoV going forward into 2020.

**Operating Context**

The overall operating context for the program continues to improve. GoV stakeholders are taking a greater interest in the results of VIRIP and there is solid buy-in, particularly through the Project Implementation Committee (PIC). The PST has continued to brief the Director, PWD (Chairman Project Implementation Committee) on the project and progressively seek guidance on future initiatives. The MOET remains a strong stakeholders and work has progressed through design to contracts with Design Consultant Kramer Ausenco. Work with DSPPAC continues to progress with engagement for both public buildings and the development of the National Disaster Recovery Framework (NDRF).

The National Recovery Committee (NRC) continues to play a strong role and has become more active in the implementation and management arrangement of VIRIP. This has been a notable change in the context as recorded in the Mid-Term Review process. A number of key stakeholders are taking a greater role and interest in VIRIP.

**Status of Implementation and Key Results**

Project is progressing well and generally on track to meet the indicators within the current program. During the Mid Term Review there was general consensus of the need to review the indicators and how they will be measured. A series of meetings were held with the World Bank to review and refine indicators. The result has been an updated results framework which is now being reported against,

**Project Implementation**

Works Programme

The current physical and financial completion is shown below:

Practical Completion	Time Completion	Disbursements	Financial Commitment	Financial Expenditure
57%	58%	31%	41%	28%

Practical completion is analysed by MS Project, across all project Parts and is the percentage of tasks and activities practically complete by the date of the report. Practical completion has been reconciled against contract implementation records, including variations and extensions of time. The Contracts Manager also updates the VIRIP dashboard monthly to keep track of implementation and the information and data is being used as part of formal and informal reporting to key stakeholders.

Total disbursements and financial commitments are still lagging, however there is a considerable amount of procurement occurring during the remainder of 2019 and early 2020, which will rapidly improve these figures. It is apparent at this stage, that the project will meet the originally anticipated practical completion. However, the critical path activities are S1-06-19 Design and Documentation of Bridges and W1-22-20 Improvements to Key Crossings - Bridges and Culverts. These two activities are sequential and require close monitoring. Also works has been unable to complete geotechnical drilling/analysis in time for issuing tender for construction programme. This risk will continue to be monitored. At this stage, the construction is anticipated to be completed in early April 2022. Refer to Appendix 1 for **Works Programme**.

Institutional Stream

In July 2019, VIRIP presented to the National Recovery Committee a position paper, prepared by the DRF International Consultant and containing a series of recommendations on Leadership and management of the NDRF completion and roll-out, July 2019 – December 2021. The paper recommended:

- Creation of an NDRF Steering Committee as a standing committee of the NRC, to be backed up by a Director-level NDRF Operations Committee.
- Strengthening of DSPPAC's capacities in disaster recovery and the formation of a small NDRF team of national consultants.

The paper contained a detailed NDRF roll-out and operationalization budget. It was proposed that the Government request VIRIP to finance the team of national consultants, as well as to continue supporting the NDRF completion and roll-out through 2021, to be complemented by funding support from other donors. The position paper was endorsed by the NRC and then approved, in principle, by the World Bank during the Mid-Term Review.

Simultaneously, the DRF International Consultant submitted to Government an NDRF Preparatory Working Paper and Work Plan, 2019-2021. The MTR approved the Working Paper and Work Plan, with some revisions. The paper was finalized in August 2019 and submitted to Government.

### ***Project Management***

Since August 2019, the Project Manager/Coordinator has led a review of the roles and functions of the PST for the second half of the project. This will require the modification to the PST staffing and the respective terms of reference. As this stage, the anticipated changes are:

- Project Manager/Coordinator, Contracts Manager and Safeguards Specialist, apart from their current roles and functions, will support the development of the NDRF.
- The role of the Procurement Officer will be amended to say Procurement and Contract Officer and VIRIP will request a variation to the existing contract.
- A Compliance Officer/Engineer will be required to fulfil the increasingly need to monitor compliance across the activities under implementation. PWD has proposed to allocate a junior Engineer to the position. The PST is still waiting on confirmation as the PWD nominee is still under suspension.

The PST will continue developing and updating a range of standard operating procedures for the project, harmonised with Government systems. During the period, the PST is reviewing a number of these manuals which will continue into 2020

As a result of the internal audits during the previous period, internal quality control/assurance procedures have been introduced across the various functions of the project, including; procurement, contract administration, financial management and safeguards. Details of the improved quality control/assurance procedure will be provided in the updated Project Operations Manual.

### ***Financial Management and Performance***

To date, total revenue received from the World Bank stood at Vt.1,767.2 million and the expenditure to date reached Vt. 1,544.6 million. In 2019, total expenditure reached Vt. 1,063.1 million which is an increase of Vt. 649.1 million from 2018 fiscal year.

The revenue Grant and Credit receipted from the World Bank in 2019 stood at Vt.1,079.7 million, of which Vt.634.7 million under Grant and Vt.445.1 million under Credit, respectively. The Outstanding Commitments stands at Vt.584.7 million. This comprised signed contracts for all project parts, excluding incremental operating costs.

In 2019, the VIRIP Project Value stood at USD USD 48,735,533 as provided by the Client Connection attributed to the Exchange rate of 112.54 (USD/VUV). In 2019, the budget stood at Vt.1,179.1 million that includes Vt.675.5 million for roads, Vt.278.5 million for schools, 108.7 million for Public Buildings and Vt. 116.9 million for Project Implementation.

Under budget for 2019, the actual expenditure reached Vt.1,063.1 million that is under spent by Vt.116 million. This underspending was attributed to slow mobilization of projects.

## **Safeguards**

During the year activity screening forms were developed for all proposed activities submitted to the Bank, with ESMPs developed for all tender packages and CESMPs reviewed and approved for all contracted works.

At the Mid Term Review, it was agreed to further refine ESMPs using a more codified approach. This will also be reflected in CESMP requirements and work on both of these will be advanced in 2020.

In terms of capacity building, throughout the year the Safeguards Specialist (SS) gave presentations on VIRIP safeguards systems at all pre-tender meetings for schools and roads packages and the SS is attending all initial contract prestart meetings to set expectations for safeguards with Contractors. Separate sessions with consulting engineers and supervision consultants also took place over the year to improve safeguards understanding and capacity.

Community meetings continue to take place with the joint induction and awareness meetings for all works contracts proving a valuable tool in managing understanding and setting out safeguards requirements on a site by site basis

## **Procurement**

During the period the services of the Procurement Specialist was terminated for convenience. The Project Manager/Coordinator has assumed the responsibilities of the Procurement Specialist in the interim, until a permanent solution is determined. During the period the following items of procurement were either started, underway or completed:

- W1-05-18 Pentecost - Improvement to South Pentecost Road
- W1-07-18 Tongoa - Road Improvements
- W1-08-18 Tanna - Lowiaru-Imafen Road Improvement - 1000m FRC
- W1-16-19 Malekula - Road Improvements
- W1-18-19 Erromango Dillons Bay Road Improvements (10 x IBC)
- W1-20-19 Tanna - Iatakuey Hill Road Improvements
- W1-21-19 Tanna - Imake Hill Road Improvements
- W1-17-19 Pentecost - North and Central Pentecost Road Improvements
- S1-06-19 Design and Documentation of Bridges
- S1-07-19 Supervision of 2020-2022 Works
- W2-01-18 Package 1: Efate - Eton and Ekipe
- W2-02-18 Package 2: Nguna, Pele and Emau
- W2-03-18 Package 3: Efate - Etas, Maumau
- W2-04-18 Package 4: Epi - Bonkovio, Lamenu, Akama, Mafilau
- W2-05-18 Package 5: Efate - Nuakwanapu, Greenhill and Nakuskasaru
- W2-07-18 Package 7: Paama - Vutekai, Lire, Lehili and Luvil
- W2-08-19 Package 8: Tongoa - Malawia, Ere, Nottage, Itakuma and Naworaone
- W2-09-19 Package 9: Efate - Kawenu
- W2-10-19 Package 10: Malekula - Lonvat Junior High School
- W2-11-19 Package 11: Aneityum - Teruja High School

- W3-03-18 Package 3: METEO and PWD Buildings
- W3-04-19 Package 4: Erromango - Health Buildings
- W3-05-19 Package 5: Pentecost - Health Buildings - Loltong and Aute

During the next 4 months a high concentration of procurement will be started:

- W1-22-20 Improvements to Key Crossings - Bridges and Culverts
- W2-06-18 Package 6: Shepherds - Senecol, Coconak, Worarana, Makira and Mataso
- W2-12-19 Package 12: Tongoa - Nabangasale High School
- W2-14-19 Package 14: Ambrym - North Tobol, Linbul, Ranon and Fania
- W2-15-19 Package 15: Ambrym North - Magham, Olal, Megamone and Fonteng
- W3-09-20 Package 9: Malekula - Norsup Hospital Maternity Ward
- W3-10-20 Package 10: Efate - PWD Shefa Headquarters

Fortunately, most of the documents and technical packs are now standardised with the completion of most designs, so the process of procurement will be somewhat routine.

Active marketing has secured the interest of further suitable contractors. This should take the pressure off the market to respond to these opportunities.

#### ***Monitoring and Evaluation***

The focus in the period has been responding to a request during the MTR to update the results framework. The results framework has been updated but is not applied in this report as final approval is still required given some targets are to be confirmed based on discussions around financing. The updated results framework is now being applied to all reporting.

## 1. Introduction

Between March 12 and 14, 2015, Tropical Cyclone Pam (TC Pam) struck 22 islands of Vanuatu as an extremely destructive category 5 cyclone. The total economic damage and losses as a result of the cyclone were estimated to be approximately USD 450 million, which equates to approximately 64 percent of the country's GDP. Shefa and Tafea were the worst affected provinces, in particular on the larger islands of Tanna, Erromango and Efate and the smaller Shepard islands. Eleven fatalities were recorded in Tafea and Shefa province. As many as 65,000 people were displaced from their homes, around 17,000 buildings were damaged or destroyed, and the livelihoods of at least 80 percent of Vanuatu's rural population were compromised due to large scale destruction of crops.

In the wake of TC Pam, the Government of Vanuatu (GoV) officially declared a state of emergency for Shefa Province on March 15, 2015. Emergency response efforts were led by the government with the support of multiple humanitarian partners, international and national non-governmental organizations, foreign governments, and donors. GoV undertook a Post-Disaster Needs Assessment (PDNA) with the support of the World Bank and other development partners, which formed the basis of the National Recovery and Economic Strengthening Program (NRESP) to guide the recovery and reconstruction of all sectors affected by TC Pam. Recovery and reconstruction costs are estimated at USD 316 million.

The World Bank has provided USD 50 million to Vanuatu in response to TC Pam through the International Development Association (IDA) Crisis Response Window (CRW) to finance the Vanuatu Infrastructure Reconstruction and Improvement Project (VIRIP). VIRIP will provide financial support to GoV through numerous targeted investments in road assets, and to reconstruct schools and public buildings damaged by TC Pam.

The Ministry of Finance and Economic Management (MFEM) is the project Executing Agency (EA). The Public Works Department (PWD) under the Ministry of Infrastructure and Public Utilities (MIPU) is the key Implementing Agency (IA), supported by the Project Support Team (PST). The project is managed through a Project Implementation Committee consisting of representative Directors from PWD, Ministry of Education and Training (MoET), MFEM and Department of Policy Planning and Aid Coordination (DSPPAC). This quarterly report is prepared by the Project Support Team (PST) and covers the period July - September 2019.

## 2. Operating Context (January-December 2019)

The overall operating context for the program continued to improve in 2019. VIRIP made considerable progress with limited resources and continued to build upon the gains made in 2018. Importantly, the period revealed a greater commitment and involvement by key GoV partners to engage and support the program.

PWD stabilised somewhat but remains heavily influenced by a number of key priorities and competing interests. The PST has continued to brief the Director, PWD (Chairman Project Implementation Committee) on the project and progressively seek guidance on future initiatives. The MOET remains a strong stakeholders and design work has progressed through contract with Kramer Ausenco. Work with DSPPAC continues to progress with engagement for both public buildings and the development of the National Disaster Recovery Framework (NDRF).

### ***Policy development***

The Prime Minister's Office and Department of Strategic Planning, Policy and Aid Coordination (DSPPAC) has had good buy-in to works towards the development of the National Disaster Recovery Framework (NDRF).

### ***Public Works Department (PWD) / Ministry of Infrastructure and Public Utilises (MIPU)***

The operating context within Public Works Department (PWD) has improved during the year. The Minister has been regularly briefed. A good working relationship has been formed. PWD has generally worked well with the services of the S1-01-17 Design and Documentation of Roads. These services are coming to a close with the completion of the last two remaining activities under Part 1. PWD has generally performed well in the role and function of Construction Supervisor for the numerous contract.

### ***Roads for Development (R4D)***

The working relationship between the VIRIP and the DFAT funded Roads for Development (R4D) had grown with the new R4D team. There were some changes in R4D leadership at the end of 2019, but work continues with the operational team who provide useful support and relevant information and data.

### ***Ministry of Education and Training (MoET)***

Ministry of Education and Training (MoET) remains a strongly active stakeholder. MoET has worked hard with its design consultant Kramer Ausenco (S2-01-18 Survey and Documentation of School Buildings) to developing and implementing a strategy for plans, surveys and designs of Part 2. The design services are now coming to a close and should be complete by early 2020. MoET has generally performed well in the role and function of Construction Supervisor for the numerous contract.

### ***Department of Strategic Planning, Policy and Aid Coordination (DSPPAC)***

DSPPAC has been active with the implementation and finalisation of selected activities under Part 3: Public Buildings. DSPPAC has been also active with the development of the National Disaster Recovery Framework (NDRF). There has been greater emphasis on DSPPAC during the year, as these activities are implemented.

DSPPAC has also worked hard with its design consultant Kramer Ausenco to develop a strategy for completion of surveys, designs and implementation of Part 3. This Strategy has been issued early during the year. DSPPAC has generally also performed well in the role and function of Construction Supervisor for numerous contracts.

### ***National Recovery Committee (NRC)***

The National Recovery Committee (NRC) continues to play a strong role and has become more active in the implementation and management arrangement of VIRIP. This has been a notable change in the context as recorded in the Mid Term Review process. A number of members are taking a greater role and interest in VIRIP.

### ***Project Implementation Committee (PIC)***

There had been two meetings of the Project Implementation Committee (PIC) during the period. The PIC delayed its last yearly meeting whilst it awaits the outcomes on the draft Aide Memoire for the Mid Term Review for deliberation. Engagement with Chairman has been positive and PST and VIRIP advisers have engaged with individual members of the PIC on individual project Parts.

### ***World Bank***

Involvement of the World Bank in the project continues to be influential. The Mid Term Review (MTR) occurred during early August with a follow-up Financial Management mission in October. During the first part of the MTR the Government and World Bank actively reviewing the progress to date and the future needs of the project. The key recommendations from the Government were reviewed and were generally agreed.

Refer to *Recommendations* below.

### ***Recommendations***

A number of recommendations have been made in the past which are being progressively addressed.




Key Recommendations from Annual Report	Summary of progress
<b>Recommendation 1:</b> PST to continue supporting and promoting a high-level ownership of the project, including infrastructure and institutional components.	This is an on-going process whereby the PST has sought high level engagement with individual Ministries and in working through the PIC. Mobilisation of the DRF Consultant has raised awareness of risk informed development planning, which will be a main feature of DRF. This is an on-going recommendation which will be carefully monitored.
<b>Recommendation 2:</b> PST to facilitate a focus on institutional arrangements and support existing government systems and processes, whilst recognising the unique suite of activities and processes that need to be met internally under the management of the World Bank.	This work has continued with the Disaster Recovery Framework Consultant. Further developments are anticipated next quarter with the potentially newly formed Recovery Unit, DSPPAC.
<b>Recommendation 3:</b> To support the inclusion of safeguards elements into PWD works planning processes, there is a need for all VIRIP activity proposals to complete a screening checklist before being confirmed into the annual work plan	Safeguards frameworks have been approved and are currently in the middle stages of operation.
<b>Recommendation 4:</b> VIRIP to explore options to consider adequate and appropriate skills transfer to young ni-Vanuatu business graduates and young professionals.	This is an on-going recommendation and some young ni-Vanuatu have been put forward for voluntary roles within PST, but these have not been accepted to date. For safeguards two young professionals have received ongoing training, resulting in increased capacity to undertake environmental and social assessments and audits.
Key recommendation from QPR 1 – Jan-March 2018	
<b>Recommendation 1:</b> Communications with relevant stakeholders require improvement. PST to develop and implement a communication strategy that meets the requirements for information from politicians, key government agencies, World Bank and general public.	Q1/2019: Communications with key stakeholders worsened during the period, with the Minister and Chairmen NRC expressing their concern a lack of information. During the period a concerted effort was required involving the World Bank TTL to confront these concerns and deal with misunderstandings more generally.  Q2/2019: Communications has noticeably improved with regular meetings with Minister and NRC and productions of highly focussed briefs.  Q4/2019: Communications are generally considered as good.
<b>Recommendation 2:</b> During the upcoming period, VIRIP must increase the pace of procurement to meet the project requirements and improve perception of project performance.	Q1/2018: Pace significantly increased and made more efficient. SLO blanket clearance of bidding documents has reduced the length of the procurement process considerably. Currently, STEP shows only 1 delayed procurement.  Q2/2019: Procurement has noticeably improved with delivery of technical packs.  Q4/2019: Procurement Specialist’s contract terminated for convenience. Pace of procurement noticeably increased, however lack of suitable contractors has slowed procurement to the absorptive capacity of the contractors.
<b>Recommendation 3:</b> During the next 2 quarters, VIRIP must transition to improving the resilience of the long-term recovery, including development of the Disaster Recovery Framework and supporting the subsequent reform measures within the scope of the project.	Q1/2018: DRF Consultant sourced and mobilised. Significant progress already made on services to date. However, the direction from the Government for the DRF Consultant to assist with the development of a DRF for Ambae will affect the original program. At this stage it is expected that the generic national DRF will be completed by June 2019. However, more buy-in is required from DSPPAC and other stakeholders, including NRC.  Q2/2019: Much greater awareness of resilience initiatives, including NDRF. NRC supports the development of the NDRF and Recovery Unit.
<b>Recommendation 4:</b> The transitional arrangement with R4D and the second phase of that programme require clarification. Most	Q1/2018: Clarification eventually sought. However, initially some aspects were unclear, most notably the oversight of IBC Contractors. During the September World

notably, it is essential the roles, functions and inter-relationship between the VIRIP and R4D must be made clear.	Bank mission, the position of DFAT was expressed, whereby they indicated that R4D consultants would not be involved with VIRIP-funded IBC works. This remains a concern. Q2/2019: New R4D2 team arrived during period, introducing new transition arrangement.
<b>Key recommendation from QPR 3 – Jul-Sep 2018</b>	
<b>Recommendation 1:</b> Communications with relevant stakeholders require improvement. PST to develop and implement a communication strategy that meets the requirements for information from politicians, key government agencies, World Bank and general public.	Q3/2018: Refer above
<b>Recommendation 2:</b> During the upcoming period, VIRIP must maintain the pace of procurement to meet the project requirements and improve perception of project performance.	Q3/2018: Systemisation has played the largest role in increasing the pace of procurement. We are now conducting a market survey of up to 20 companies which will provide more information on which to further develop the Acquisition Strategies. Q2/2019: Pace of procurement has increased, however there has been some time restriction with the revision of standard school design as a result of the GPSS/Arup Report and lack of clarity on Part 3: Public Building packages (notably MoH buildings). Q4/2019: Refer above.
<b>Recommendation 3:</b> Application of acquisition strategies will reduce the number of procurements that need to be conducted; reducing the transactional cost of procurement.	Q3/2018: VIRIP has begun to apply more advanced acquisition strategies to reduce the transactional cost of conducting procurements. As an example, 4 Activity Proposals with 4 associated procurements were assumed for remediation of 10 public buildings in Pt Vila. These potential 4 procurements will now be conducted as 1 procurement. We note there is still more work to be done in this space. Q3/2019: Procurement Strategy completed.
<b>Recommendation 4:</b> PWD should indicate how the Feeder Roads program will be resourced with Consultants and Contractors and effect current commitments.	Q3/2018: This has occurred. Feeder Road program to be undertaken principally with Force Account, thus causing no direct impact to VIRIP. However, the involvement of PWD staff in the delivery of the program and the impact on their availability for VIRIP remains a concern. Q2/2019: This matter is now clarified, and the impact of the feeder program appears to be less than expected.
<b>Recommendation 5:</b> PWD must clarify how the IBCs funded under VIRIP will be supervised and trained.	This has occurred. Refer above.
<b>Recommendation 6:</b> The transitional arrangement with R4D need to be carefully considered as it is likely the transition period will end early and the next phase will be tendered.	Q3/2018: Weekly liaison is occurring between the R4D-T team leader and the VIRIP program manager around regular updates and schedules.
<b>Key recommendation from QPR 1 2019 – Jan-Mar 2019</b>	
<b>Recommendation 1:</b> Communication with stakeholders must improve	Q1/2019: This has occurred during the period. However, a concerted effort is required, including social media and press releases. Q3/2019: Communications Strategy developed. Q4/2019: Refer above.
<b>Recommendation 2:</b> Require greater buy-in from stakeholder for the NDRF, including DSPPAC and NRC.	Q1/2019: This will require a strategy from the DRF Consultant with active assistance from the PST. Q3/2019: MTR agrees to capitalise on progress in Safeguards.
<b>Recommendation 3:</b> Capitalisation on good progress in safeguards.	Q1/2019: Exploit opportunities in this area, requiring a strategy agreed leading up to the MTR.
<b>Key recommendation from QPR 2 2019 –Apr-Jun 2019</b>	
<b>Recommendation 1: Relevancy.</b> The project needs to emphasise its ability to improve resilience, across all Parts of the project. In light of the development of the NDRF, VIRIP should assist the Government, where possible, be better prepared for immediate and effective responses to any crisis or emergency. The NDRF should be formally recognised as an output of VIRIP.	Q3/2019: It was recognised that the project needs to emphasise its ability to improve resilience, across all Parts of the project, and move away from the emphasis of reconstruction.



	Governance. It was recognised that the role and function of the NRC should be recognised, together with its relationship to the PIC.
<b>Recommendations 2: Governance.</b> The role and function of the NRC should be formalised, together with its relationship to the PIC.	Q3/2019: It was recognised that the role and function of the NRC should be formalised, together with its relationship to the PIC.
<b>Recommendation 3: Institutional Stream.</b> The institutional stream is growing in prominence and value. There are significant costs associated with the roll-out of the NDRF, which need to be agreed with the Bank. It is an emerging project output and outcome and will involve the establishment of key systems and process including procurement, finance, and overall technical assistance, to funding of recovery unit. VIRIP has an important role to play but the scope of involvement and level of investments needs to be discussed with the Bank.	Q3/2019: It was recognised that the institutional stream is growing in prominence and value. There are significant costs associated with the roll-out of the NDRF and the budget was broadly agreed. It was generally agreed with the Bank that the NDRF is an important project output and outcome and will involve the establishment of key systems and process including procurement, finance, and overall technical assistance, to funding of recovery unit. It was generally agreed VIRIP has an important role to play but the scope of involvement and level of investments needs to be discussed with the Bank.
<b>Recommendation 4: Perception.</b> The interpretation of VIRIP and its intended inputs, outputs and outcomes should be refined to ensure there is clarity with stakeholders.	Q3/2019: It was agreed to concentrate on VIRIP increasing 'resilience'.
<b>Recommendation 5: Expectations.</b> There needs to a recognition that Bank-funded projects are, by their nature, slow to mobilise. However, there should be open commitment by both parties that through VIRIP, to the extent possible, that Bank-funded responses to future crises and emergencies can be mobilised much more quickly. In line with the NDRF, this would involve VIRIP assisting the Government in identifying means of hastening planning, design, procurement and implementation.	Q3/2019: This was generally agreed. Bank agreed to support NDRF.
<b>Recommendation 6. Communications.</b> Resources need to be allocated to effective communications. This will provide adequate exchange of information and direction, reduce misinformation, improve perceptions and meter expectations.	Q3/2019: It was agreed that resources need to be allocated to effective communications. This will provide adequate exchange of information and direction, reduce misinformation, improve perceptions and meter expectations.
<b>Recommendation 7. Procurement.</b> There needs to be a recognition of the lack of local contractor capacity. VIRIP needs to have an agreed capacity development programme for local contractors. Dedicated resources from VIRIP to assist procurement should continue. In line with the NDRF, VIRIP procurement systems must be more fully aligned and harmonised, to the extent possible.	Q3/2019: There was a recognition of the lack of local contractor capacity. VIRIP will have an agreed capacity development programme for local contractors. In line with the NDRF, VIRIP procurement systems must be more fully aligned and harmonised, to the extent possible.
<b>Recommendation 8. M+E.</b> The results framework was designed to build upon the results framework in the PAD. The PAD results framework does not cover the full scope of work currently being implemented by VIRIP. The results framework has been aligned to reflect the PAD for the purposes of the MTR but there may be scope to consider additional change.	Q3/2019: It was agreed that the results framework was designed to build upon the results framework in the PAD, but there will be changes to the results framework to better reflect the project outputs and outcomes.
<b>Recommendation 9. Coordination.</b> DSPPAC needs to be more integrated into VIRIP, to ensure there is less chance of duplication and inefficiency of recovery efforts.	Q3/2019: Internal issue. Generally agreed.
<b>Recommendation 10. IBCs.</b> Role and involvement of IBCs in the future must be discussed, in line with the PDO, results framework and NDRF.	Q3/2019: It was agreed to continue to use Island Based Contractors, as long as adequate justification is provided.
<b>Key recommendation from AR 2019 –Jan-Dec 2019</b>	
<b>Recommendation 1.</b> Review the Aide Memoire for the Mid Term Review and develop action plan.	

### 3. Status of Implementation and Key Results

On track 	Slightly behind schedule 	Issues requiring attention 
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#### VIRIP Quarterly Report Q1, 2019

OBJECTIVES (What you want to achieve)	INDICATORS (How to measure change)	Overall Program Target (2018-2021)	Targets January-December 2019	QUARTERLY PROGRESS (September – December 2019)	% Progress in QTR	CUMULATIVE ANNUAL PROGRESS January-December 2019)	% overall progress
<i>PDO: Reconstruct and improve the disaster and climate resilience of selected public sector assets in provinces affected by TC Pam, and to provide immediate and effective responses to eligible crises and emergencies.</i>	Overall RAI improves across the entire road network (disaggregated by islands where VIRIP works)	RAI improve on a year-by-year basis (national and VIRIP islands)	0.2% increase in RAI for the entire network. 1% increase for islands where VIRIP works	This is a new indicator that has been included following consultations with the World Bank. The baseline of RAI for the entire network is 2012 – 41% and 2017 – 54%.	50%	The RAI will be assessed again in 2021. Recently PWD has approved its new public roads policy. Unlike its earlier version (RRAF), It has not put similar importance towards RAI. Meaning, RAI achievement is less important under this policy; what they are looking at now is the increase in the length of the road, which is accessible all year round with defined service standards.	50%
	# men and women in target communities with improved traffic and pedestrian access	14,000 people (50% men and 50% women)	2,000 people (50% men and women)	A total of 27,587 people have improved traffic and pedestrian access to an all-weather road.		As per the quarterly calculation a total of 27,587 people now have improved access. This is based on a 2km radius around road improvements. Additional assessment will occur in mid-2020	
	# users/beneficiaries with access to schools facilities that have been reconstructed to higher structural safety standards (new construction) or upgraded (repairs and retrofits) <sup>2</sup>	3,000	Maintaining workplan targets	According to recent calculations. A total of 2,296 children have improved access to school facilities	80%	The figure presented in the last quarter is the annual figure. Additional information will be sourced to update the result in the second half of 2020.	90%

<sup>2</sup> The focus on schools is primarily around classrooms. However improved classrooms also influence the broader school. The assumption initially was that enrolments would rise with new schools. The baseline for the school is 2019. However, with improvements to classrooms enrolments will not automatically rise. Number of primary and secondary students, disaggregated by gender, with access to school facilities (classrooms, staff houses, WASH facilities) which have been upgraded (repaired or retrofitted) or constructed to higher structural standards based on enrollment figures as of October 2019. Information has been sourced from MoET's Open VEMIS System and is based on 2019 enrollment data.

Intermediate Outcome 1: <i>Communities demonstrating greater resilience to build and maintain safer and resilient communities</i>	% increase in satisfaction with improved infrastructure.  % increase in perceptions of resilience	>95% of satisfaction  >95% improvement in perceptions of resilience.	Maintaining a >95% increase for both satisfaction and perception.	Baseline work is currently being undertaken by a DFAT funded team who are undertaking a series of community consultations. This work was occurring in the last quarter of 2019.	50%	No available data yet but VIRIP will undertake a sample of assessment based on the data received through the baseline study. This will occur in later 2020.	
Intermediate Outcome 2: School populations with improved access to school facilities.	# of schools with new facilities constructed to structural performance standards required for temporary evacuation shelters	800	Maintaining workplan targets	A total of 621 students are being reached with facilities that have been maintained to a higher standard	50%	A total of 621 students are being reached with facilities that have been maintained to a higher standard	80%
Intermediate Outcome 3 - Key policies and strategies to guide future emergency responses developed	NDRF reconstruction policy and strategy developed and approved by COM.	NDRF accepted and resourced	NDRF Document prepared for submission	Drafting of the NDRF continue.	80%	Policy and strategy currently being drafted.	80%
Output 1: Infrastructure Provision 1.1 Road Assets reconstructed and improved	#Km of roads improved  # physical infrastructure enhancements	23 km  250	23  60	A total of four(4) contracts were completed during Q4 2019. These were (i) Imafen Lowaiaru road improvements; (ii) West Epi road improvements; (iii) Iatukuey Hill road improvements; (iv) Tanna Kings Cross (Isangel loop & Hospital Rd variations) A further two(2) contracts were ongoing during Q4 2019 . These were: (i) Imake Hill Road Improvements and (ii) Tongoa road improvements. A total of five(5) IBC contracts were completed during Q4 2019	90%	A To date a target of 31.939km of road improvements have been procured under VIRIP. As at Dec31st 2019 a total of 24.292 km had been completed.(76%).  During Q4 2019 a total of 6.562 km of road improvements were completed of which 0.862km were completed by IBC's.	90%
1.2 Schools reconstructed to a higher standard	• # schools/classrooms repaired and constructed each year.	40	5	During the quarter seven(7)) number school package contracts were ongoing . These were (i) Eton/Ekipe;(ii) Nguna/Pele;;(iii) Etas /Mumau; (iv) Epi Island ;(v) Tongoa ; (vi) Kewanu; (vii) Nguna; Pele. One(1) contract Eton/Ekipe was completed during the quarter.	100%	Seven contracts commenced during 2019 . Eton/Ekipe was completed in 2019. A further four (4) contracts have achieved significant progress and are expected to be completed in the first quarter of 2020 .  The remaining two will be ongoing throughout 2020	80%

1.3 Public buildings reconstructed to a more resilient standard	<ul style="list-style-type: none"> <li># buildings constructed</li> </ul>	20	3	Remediation of Public Buildings Package 2 was completed in the quarter. Package 3 was well advanced in progress and is expected to be completed early in 2020	85%	To date four (4) packages have been awarded and two(2) of these packages have reached practical completion. It is expected that one of these remaining 2 packages (package 3) will be completed in the first quarter of 2020 . The last package contract in Eramango will commence mobilisation during 1 <sup>st</sup> quarter 2020	90%
1.4 IBC's able to construct assets and buildings to a higher standard	<ul style="list-style-type: none"> <li># of IBC contracts signed</li> <li>% of IBC meeting time, cost and quality</li> </ul>	30 contracts TBC	8 contracts TBC	5 IBC contracts totalling 0.862km were completed during the quarter.	57%	A total of eighteen 18 IBC contracts have been awarded since the VIRIP commencement date. Seventeen (17) of these contracts have reached Practical Completion. During 2019 fourteen (14) No. IBC's were completed.	97%
1.5 Employment opportunities created for women and men and communities as a whole (i.e. labour days)	# of men and women gaining appropriate employment	18,000 days	2,000 days	8,319 days	xx%	<p>A total of 14,646 worker days have been generated on roads (12,896 male and 1750 female)</p> <p>A total of 3,937 worker days for schools (3,579 males and 356 females)</p> <p>A total of 1,298 working days have been generated on Public Buildings (1,288 male and 10 female).</p>	85%
<b>Output 2: Institutional arrangements</b> 2.1 Key policies and strategies to guide future emergency responses developed	<ul style="list-style-type: none"> <li>Reconstruction policy and strategy developed</li> </ul>	1	Progression of policy and strategy	Good progress on DRF during period. However, buy-in from stakeholders required.	90%	NDRF framework currently in progress.	90%
2.2 Safeguards Framework developed and applied	<ul style="list-style-type: none"> <li>Safeguard framework approved</li> </ul>	1 safeguard framework	Safeguards framework	3 Documents comprising the framework (RPS, ESMF & GRM) completed and approved.	100%	Completed. Everything approved and sent to Bank for disclosure 13 March 2018. Framework document will be reviewed in 2020 in line with safeguard system improvements as agreed at Mid Term Review.	100%
2.3 People engaged and supporting community decision making structures (fewer grievances)	<ul style="list-style-type: none"> <li>% grievances responded to within agreed timeframes</li> </ul>	95% of grievances responded to within timeframes	GRM fully incorporated into all safeguard's management documents.	GRM sets out mechanism for project including contractors and supervisors Community consultation taking place at initial scoping and onwards significantly increases awareness and acceptance of works contracts with local communities and individuals.	50%	Grievances have been avoided due to proactive community engagement. Contractor performance in safeguards is monitored on a monthly basis and formal audits of larger contracts.	50%

## 4. Program Implementation (Narrative Section)

The following sections provide further narrative and evidence of progress towards key outputs and the PDO. The information contained below complements the concise information contained in the results framework above. The purpose is to provide more detailed explanation and analysis of the progress, achievements and challenges in obtaining defined outputs and outcomes in the past year.

### **Legend:**

**Brown:** Under planning

**Black:** Under procurement (eg ready for or out for tender or under evaluation)

**Green:** Under implementation (ie contract signed)

**Blue:** Completed

**Purple:** Unallocated (not budgeted and may not be completed)

**% Complete:** Percentage calculated by MSProject and includes all pre-contract tasks and post-contract implementation.

**%Work Complete:** Percentage of works/services complete.

### 4.1 Part 1. Road Reconstruction and Improvement

#### **Progress Overall**

Part 1 has rapidly increased to 67% (compared to 36% in 2018 Annual Report) complete which is approximately where this Part was anticipated as per the 2018 Annual Report. The 2017 Annual Works Plan (AWP) is 100% (56% 2018 AR) complete. 2018 AWP is 78% (43% 2018 AR) complete. The 2019 AWP is currently 40% (0% 2018 AR).

#### **Services**

Task Name	Cost	% Complete	% Work Complete
<b>Services</b>	<b>\$2,098,843</b>	<b>74%</b>	
S1-01-17 Design and Documentation of Roads	\$296,071	85%	85%
S1-02-17 Develop QCM	\$102,071	100%	100%
S1-03-17 Pavement Specialist	\$2,340	100%	100%
S1-04-17 Supervisor for Tanna Works	\$58,305	100%	100%
S1-05-18 Supervision of 2018-2019 Works	\$652,390	100%	100%
S1-06-19 Design and Documentation of Bridges	\$490,666	80%	50%
S1-07-19 Supervision of 2020-2022 Works	\$497,000	7%	0%

The value of all Services currently represent 8.1% of the value of the entire Part, which compares well to the Project Appraisal Document (Page 37), which had assumed a design and supervision to be 8.3% of construction costs. At this stage, no further services costs are expected. The outputs and outcomes of the services during the period are:

- All roads requiring design have had designs completed. Designs based on approved Annual Works Plans and Activity Proposals in accordance with the Selection Criteria.
- Development of the Quality Control Manual is complete with training delivered during the period. Manual now provides detailed procedures and forms for contract quality issues, harmonised with PWD and MoET systems. This contract was varied to include the

development of a complementing Contractor's Quality Plan (CQP) – Template, which is now complete.

- Services of the supervisor for the Tanna works was completed.
- The Supervision of 2018-2019 Works is nearly complete and performed very well. Quality control and assurance has generally ensured contracts are implemented in accordance with the contract.
- Design services for bridges was awarded to Cardno during the period and is currently on the project critical path.

### 2017 Annual Works Plan

Task Name	Cost	% Complete	% Work Complete
<b>2017 Annual Works Plan</b>	<b>\$2,985,474</b>	<b>88%</b>	
W1-01-17 Tanna - King Cross Road Improvement - FRC	\$900,645	100%	100%
W1-02-17 Tanna - King Cross Road Improvement - Bitumen	\$1,928,792	74%	100%
W1-03-17 Malekula - Improvement to Batven Stream (Neramb) Crossing (2 x IBC)	\$75,309	100%	100%
W1-04-17 Malekula - Improvement to Unua 5 Stream (Blacksand) Crossing (2 x IBC)	\$80,728	100%	100%

- The first item of work Tanna - King Cross Road Improvement - FRC was contracted prior to the end of 2017. As a result of good community consultation, the contract was varied to include speed control devices (speed humps) along the road to minimise traffic speed which was completed during the period.
- Tanna - King Cross Road Improvement - Bitumen was varied as a result of lack of suitable road base. Contractor suggested a more cost-effective method which result in nearly USD200,000 saving. The Government then chose to improve the Isangel Loop Road and Hospital Road with the savings, through extension of the same rates and extension of time.
- The last two activities (culverts) in Malekula have been delayed because of design and are now complete.

### 2018 Annual Works Plan

Task Name	Cost	% Complete	% Work Complete
<b>2018 Annual Works Plan</b>	<b>\$5,540,061</b>	<b>78%</b>	
W1-05-18 Pentecost - Improvement to South Pentecost Road	\$2,109,561	26%	0%
W1-06-18 Epi - West Epi Road Improvements - FRC	\$746,210	100%	100%
W1-07-18 Tongoa - Road Improvements	\$604,347	79%	30%
W1-08-18 Tanna - Lowiaru-Imafen Road Improvement - 1000m FRC	\$811,925	94%	100%
W1-10-18 Pentecost - Ranwadi Point Coastal Road - Retaining Wall (3 x IBC)	\$122,085	100%	100%
W1-11-18 Pentecost - Ranputor Road Improvements (2 x IBC)	\$81,813	100%	100%
W1-12-18 Pentecost - Vanwoki Hill - FRC (3 x IBC)	\$134,308	100%	100%
W1-13-18 Efate - Mangaliliu Road Improvements - FRC	\$550,520	100%	100%
W1-14-18 Ambrym Road Improvements (4 x IBC)	\$190,363	96%	100%
W1-15-18 Paama Road Improvements (4 x IBC)	\$188,929	98%	100%

- After delays in design, Improvement to South Pentecost Road has been fully designed and tendered during the period.
- West Epi Road Improvement was completed during the period.
- Tongoa Road improvements is under contract.

- Lowiaru-Imafen Road was completed during the period including provision for a significant variation.
- Ranwadi Point Coastal Road - Retaining Wall and Pentecost - Vanwoki Hill - FRC were completed in 2019. Ranputor Road Improvement was approved and completed within the period.
- Mangaliliu Road Improvement - FRC was completed during the period.
- Ambrym and Paama works were contracted and, after an initial delay, completed during the period.

### **2019 Annual Works Plan**

Task Name	Cost	% Complete	% Work Complete
<b>2019 Annual Works Plan</b>	<b>\$5,230,629</b>	<b>40%</b>	
W1-16-19 Malekula - Road Improvements	\$2,326,802	18%	0%
W1-17-19 Pentecost - North and Central Pentecost Road Improvements	\$1,000,000	30%	0%
W1-18-19 Erromango Dillons Bay Road Improvements (10 x IBC)	\$439,862	25%	0%
W1-20-19 Tanna - Iatakukey Hill Road Improvements	\$993,029	100%	100%
W1-21-19 Tanna - Imake Hill Road Improvements	\$470,936	78%	80%

- Malekula - Road Improvements was fully designed and ready for tender in early 2020.
- Iatakukey Hill Road Improvements and Imake Hill Road Improvements was tendered and awarded as separate packages with the Contractor completing Iatakukey Hill Road Improvements during the period.

### **2020 Annual Works Plan**

Task Name	Cost	% Complete	% Work Complete
<b>2020 Annual Works Plan</b>	<b>\$9,000,000</b>	<b>0%</b>	<b>0%</b>
W1-22-20 Improvements to Key Crossings - Bridges and Culverts	\$9,000,000	0%	0%

- Design for the bridges and culverts has been awarded to Cardno and is currently underway. A Request for Expressions of Interest for prequalification was issued for the selection of suitable contractors.

It is important to note that preliminary investigations have indicated that in all bridge locations piled foundations are necessary. It was found that the predominant actions on the bridge structure are liquefaction, strong stream flows and debris rafts. This has required VIRIP to urgently source a driller for geotechnical investigations. Failure to secure a driller and geotechnical investigations may result in an abandonment of elements of activity and re-programming.

### **Goods**

Task Name	Cost	% Complete	% Work Complete
G1-01-18 Purchase of 4 Vehicles	\$120,038	100%	100%
G1-02-19 Purchase of Macrofibre	\$74,940	100%	100%

- After significant delays, the procurement of the vehicles is complete.
- During the period, Macrofibre was purchased to either replace PWD stocks already used and for future concrete works.

### **Unallocated Activities**

Task Name	Cost	% Complete	% Work Complete
<b>Part 1: Road Reconstruction and Improvement UNALLOCATED</b>	<b>\$748,000</b>	<b>49%</b>	<b>0%</b>
<b>W1-19-19 Epi - Epi Drainage Improvements</b>	<b>\$748,000</b>	<b>49%</b>	<b>0%</b>

As a result of budget constraints, the above-mentioned activities is currently not funded under VIRIP. However, at the completion of the tendering processes for the Part 1 allocated activities, available funds will be realised, and a decision made on the funding this activity or not.

#### 4.2 Part 2: School Reconstruction and Improvement

##### **Progress Overall**

Part 2 is 51% complete (compared to 37% in 2018 Annual Report), after the works program was readjusted for slower than expected design and procurement. Provision of services are generally on track. The 2018 Annual Works Plan (AWP) is still slightly slower than expected, as a result of delays in procurement and provision of designs and documentation. The 2019 AWP is well underway with a large number of activities either under or prepared for tender. The remainder of the activities for Part 2: Schools for the 2020 AWP will generally consist of the most difficult activities in isolated locations, high schools and those schools with unique design requirements. These activities are under planning, with an approved methodology for prioritization and implementation. As a result of the introduction of resources, systems and new tenderers, it is believed that this program is realistic. The Global Program for Safe Schools (GPSS) has been positive in its outcomes in amongst other outputs producing a structural review of existing standard drawings for standard classrooms. Throughout the period this has been problematic for existing contracts and future tenders, as contracts and drawings modified/varied to suit the new design.

##### **Services**

Task Name	Cost	% Complete	% Work Complete
<b>Services</b>	<b>\$887,756</b>	<b>86%</b>	<b>0%</b>
<b>S2-01-17 Survey and Documentation of School Buildings</b>	<b>\$338,000</b>	<b>100%</b>	<b>100%</b>
<b>S2-02-17 Asbestos Specialist</b>	<b>\$70,300</b>	<b>64%</b>	<b>64%</b>
<b>S2-03-17 Land Registration Officer</b>	<b>\$31,247</b>	<b>95%</b>	<b>100%</b>
<b>S2-04-17 Safeguards Officer</b>	<b>\$65,733</b>	<b>64%</b>	<b>60%</b>
<b>S2-05-18 Supervision of School Works</b>	<b>\$382,476</b>	<b>81%</b>	<b>60%</b>

The value of all Services currently represent 6.8% of the value of the entire Part, which compares well to the Project Appraisal Document (Page 37), which had assumed a design and supervision to be 8.3% of construction costs. At this stage, no further services costs are expected. The outputs and outcomes of the services during the period are:

- The survey and documentation of school buildings has been contracted and implementing a Strategy for the completion of survey, documentation and limited design for the existing and remaining packages. The services have been affected by the outcomes of the GPSS review of the standard classroom design. This required variations of existing contracts and modification of the existing design for future tenders.
- During the period, the Asbestos Specialist further trained local MoET and other staff on the sampling of Asbestos, to visit all sites. This outcome provides a cost-effective solution.
- Supervision of the School Works is well underway and varied to also supervise the Public Buildings. These services have required continued oversight, as the Consultant has struggled with adoption of standard systems (notably the CAM and QCM).



- VIRIP continues to work with MoET and their Land Registration Officer to either establish landholder agreements as a formal 'right of use' or lease.

### 2018 Annual Works Plan

Task Name	Cost	% Complete	% Work Complete
<b>2018 Annual Works Plan</b>	<b>\$3,939,483</b>	<b>68%</b>	<b>0%</b>
W2-01-18 Package 1: Efate - Eton and Ekiye	\$634,632	96%	100%
W2-02-18 Package 2: Nguna, Pele and Emau	\$375,058	75%	50%
W2-03-18 Package 3: Efate - Etas, Maumau	\$394,349	90%	60%
W2-04-18 Package 4: Epi - Bonkovio, Lamenu, Akama, Mafilau	\$577,398	86%	50%
W2-05-18 Package 5: Efate - Nuakwanapu, Greenhill and Nakuskasaru	\$715,046	75%	60%
W2-06-18 Package 6: Shepherds - Senecol, Coconak, Worarana, Makira and Mataso	\$1,000,000	21%	0%
W2-07-18 Package 7: Paama - Vutekai, Lire, Lehili and Luvil	\$243,000	17%	0%

- Procurement on the first five packages of works is complete. Package 1 was contracted and has served as the test case. Package 2, 3 and 4 were contracted and now underway. Packages 5 were issued during the period and now contracted.
- Package 7 was inspected during period and ready for tender in early 2020.

### 2019 Annual Works Plan

Task Name	Cost	% Complete	% Work Complete
<b>2019 Annual Works Plan</b>	<b>\$8,163,052</b>	<b>17%</b>	<b>0%</b>
W2-08-19 Package 8: Tongoa - Malawia, Ere, Nottage, Itakuma and Naworaone	\$603,165	64%	30%
W2-09-19 Package 9: Efate - Kawenu	\$434,601	22%	0%
W2-10-19 Package 10: Malekula - Lonvat Junior High School	\$2,800,000	4%	0%
W2-11-19 Package 11: Aneityum - Teruja High School	\$2,514,286	7%	0%
W2-12-19 Package 12: Tongoa - Nabangasale High School	\$228,000	15%	0%
W2-14-19 Package 14: Ambrym - North Tobol, Linbul, Ranon and Fania	\$522,000	9%	0%
W2-15-19 Package 15: Ambrym North - Magham, Olal, Megamone and Fonteng	\$347,000	10%	0%
W2-19-19 Package 19: Futuna - Ishia	\$714,000	19%	0%

- Package 8 and 9 were issued for tender, contracted and now underway.
- Package 10 will be issued for tender in 2020.
- Package 11 is now contracted, after a protracted planning and design process.
- Other Packages are under planning and/or design, prior to tendering.

### Unallocated Activities

Task Name	Cost	% Complete	% Work Complete
<b>Part 2: School Reconstruction and Improvement UNALLOCATED</b>	<b>\$4,986,246</b>	<b>4%</b>	<b>0%</b>
W2-13-19 Package 13: Ambrym - South East Endu-Leleut, Roromai, Paamal and Senai	\$623,000	9%	0%
W2-16-XX Package 16: Pentecost - Central Vanmanla, Lalzadette, Torlie, Tanbok and Ubiku	\$899,123	8%	0%
W2-17-XX Package 17: Pentecost - South West Ben Motri, Londar (Baie-Martelli)	\$649,123	0%	0%
W2-18-XX Package 18: Efate - Malapoa High School	\$1,700,000	0%	0%

W2-20-XX Package 20: Staff Houses - Susan Mate, Manganua, Lokopue, Moriu, Votlo, Nulnesa, Lopeni, Sikembo, Nalema	\$629,000	0%	0%
W2-21-XX Package 21: Pentecost - Baie-Barrier, Ranwas (Manu) St Henri (Lonfis)	\$486,000	0%	0%

As a result of budget constraints, the above-mentioned activities is currently not funded under VIRIP. However, at the completion of the tendering processes for the Part 2 allocated activities, available funds will be realised, and a decision made on the funding this activity or not.

However, Part 3 Public Buildings is currently under budget and if the constraints associated with the unallocated activities are not resolved, then funds could be reallocated to Part 2 Schools.

### 4.3 Part 3 - Public Building Reconstruction and Improvement

#### **Progress Overall**

Part 3 has rapidly progressed during the period to 44% (compared to 22% in 2018 Annual Report) after a very slow start. DSPPAC has been actively involved during the period with Survey and Documentation of Public Buildings (Kramer Ausenco Ltd (Kramers)) and provided necessary direction on the remaining activities. This compiled list of activities is described in a Strategic document for Part 3, including inspection schedule and program for delivery of technical packages, ready for tender.

#### **Services**

Task Name	Cost	% Complete	% Work Complete
<b>Services</b>	<b>\$742,220</b>	<b>91%</b>	<b>0%</b>
S3-01-18 Survey and Documentation of Public Buildings	\$359,744	90%	90%
S3-02-18 Supervision of Public Building Works	\$382,476	81%	80%

The value of all Services currently represent 11.1% of the value of the entire Part, compared to the Project Appraisal Document (Page 37), which had assumed a design and supervision to be 8.3% of construction costs. The higher than expected cost of services is as a result of the high level of designs required for each activity and the reiteration of designs as a result of consultations. At this stage, no further services costs are expected. The outputs and outcomes of the services during the period are:

- Kramer Ausenco has continued inspections and designs of compiled public buildings throughout the project area. Public buildings in the outer islands that may meet the selection criteria have been inspected and activity proposals will be subsequently developed.
- Supervision of the public buildings has been augmented with the services of the supervision of the school buildings.

#### **2018 Annual Works Plan**

Task Name	Cost	% Complete	% Work Complete
<b>2018 Annual Works Plan</b>	<b>\$816,467</b>	<b>100%</b>	<b>100%</b>
W3-01-18 Package 1: Catering Building	\$45,071	100%	100%
W3-02-18 Package 2: Remediation of Public Building in Port Vila	\$771,396	100%	100%

- Package 1 Catering Building is complete.
- Package 2, which consisted of 12 public buildings in Port Vila, was completed quickly during the period.

#### **2019 Annual Works Plan**

Task Name	Cost	% Complete	% Work Complete
<b>2019 Annual Works Plan</b>	<b>\$3,593,539</b>	<b>33%</b>	<b>0%</b>
W3-03-18 Package 3: METEO and PWD Buildings	\$467,280	100%	100%
W3-04-19 Package 4: Erromango - Health Buildings	\$886,259	60%	5%
W3-05-19 Package 5: Pentecost - Health Buildings - Loltong and Aute	\$620,000	12%	0%
W3-06-19 Package 6: Pentecost - Health Buildings - Aligu and Bwatnapni	\$620,000	12%	0%
W3-07-19 Package 7: Pentecost and Maewo - Health Buildings	\$800,000	14%	0%
W3-08-19 Package 8: Pentecost - Penama Headquarters	\$200,000	14%	0%

- Package 3 was completed during the period.
- Package 4 design was finalised during the period and issued to the market.
- Package 5, 6 and 7 are remote and have logistical problems. However, the design for the dispensaries is now standardised, so the scope of works are more readily understood, and the process of tendering is much easier. The works have been generally be packaged into of higher value works to increase efficiencies.
- Package 8 has been designed and ready for tender in early 2020.

### 2020 Annual Works Plan

Task Name	Cost	% Complete	% Work Complete
<b>2020 Annual Works Plan</b>	<b>\$450,000</b>	<b>0%</b>	<b>0%</b>
W3-09-20 Package 9: Malekula - Norsup Hospital Maternity Ward	\$150,000	0%	0%
W3-10-20 Package 10: Efate - PWD Shefa Headquarters	\$300,000	0%	0%

- Packages 9 and 10 will be designed and tendered during early 2020.

### Unallocated Activities

Task Name	Cost	% Complete	% Work Complete
<b>Part 3: Public Building Reconstruction and Improvement UNALLOCATED</b>	<b>\$800,000</b>	<b>0%</b>	<b>0%</b>
W3-11-XX Package 11: Malekula - Norsup Airport Terminal	\$200,000	0%	0%
W3-12-XX Package 12: Efate - VCH Paediatrics and Surgical	\$300,000	0%	0%
W3-13-XX Package 13: Tanna - Tafea Cultural Centre	\$300,000	0%	0%

As a result of budget constraints, the above-mentioned activities is currently not funded under VIRIP. However, at the completion of the tendering processes for the Part 3 allocated activities, available funds will be realised, and a decision made on the funding this activity or not.

It is important to note that the three unallocated activities have constraints, which are yet to be resolved. Norsup Airport Terminal has land dispute issues. VCH Paediatrics and Surgical does not meet the selection criteria and the Tafea Cultural Centre was originally built as a temporary structure and may similarly not meet the selection criteria. As a consequence, if these activities are not chosen, there will be unbudgeted funds in Part 3.

### 4.4 Part 4 – Project Implementation and Technical Support

Task Name	Cost	% Complete	% Work Complete
<b>Part 4: Project Implementation and Technical Support</b>	<b>\$3,718,224</b>	<b>60%</b>	<b>0%</b>
<b>Services</b>	<b>\$3,718,224</b>	<b>59%</b>	<b>0%</b>
S4-01-16 Project Manager/Coordinator	\$1,122,200	64%	64%
S4-02-17 Safeguard Specialist	\$804,476	56%	56%
S4-03-17 Procurement Specialist	\$17,589	100%	100%
S4-04-17 Project Accountant	\$132,157	88%	88%

S4-05-17 Monitoring and Evaluation Specialist	\$197,900	52%	50%
S4-06-17 Procurement Specialist	\$420,491	100%	100%
S4-07-18 Contracts Manager	\$417,040	64%	64%
S4-08-18 Procurement Officer	\$54,000	61%	61%
S4-09-18 Junior Accountant	\$41,871	47%	47%
S4-10-18 DRF International Consultant	\$197,200	99%	100%
S4-11-19 NDRF Team Coordinator	\$89,000	21%	0%
S4-12-19 NDRF Recovery Specialist	\$84,300	21%	0%
S4-13-19 DRF International Consultant	\$140,000	13%	0%

Part 4 is 58% complete (compared to 49% in the 2018 Annual Report). It is noteworthy that the Part is currently under budget. However, extensions of time are required for some PST staff and the introduction of the National Disaster Recovery Framework will place strain on the available budget for Part 4. As mentioned previously the services of the Procurement Specialist was terminated, which saved the project around USD100,000 in fees. As a result of the MTR, the services of NDRF Team Coordinator and NDRF Recovery Specialist have been added and DRF International Consultant included in the procurement plan to continue the role of these services.

According to Project Appraisal Document (Page 37), it had been assumed the PST staff consists of a Project Manager, Procurement Specialist, Project Accountant and Safeguards Specialist and estimated to cost 6.5% of the overall project amount. At present these positions cost 5%. However, more positions were added to the PST staff including staff required to backfill gaps in the implementing agencies capabilities. Additionally, three positions were added to the PST to assist with the development of the National Disaster Recovery Framework.

#### 4.5 Programme

A detailed Works Programme has been included in Appendix 1

##### **Current completion**

The current physical and financial completion is shown below:

Practical Completion	Time Completion	Disbursements	Financial Commitment	Financial Expenditure
57%	58%	21%	36%	16

Practical completion is analysed by MS Project, across all project Parts and is the percentage of tasks and activities practically complete by the date of this report. Practical completion has been reconciled against contract implementation records, including variations and extensions of time.

Total disbursements and financial commitments are still lagging, however there is a considerable amount of procurement occurred during 2019 which will continue into early 2020. This will rapidly improve these figures. The critical path activities are Design and Documentation of Bridges and Improvements to Key Crossings - Bridges and Culverts. These two activities are sequential and require close monitoring. At this stage, the planned construction is anticipated to be completed in early April 2022.

Refer to Appendix 1 for **Works Programme**.

Time completion is based on the date of the report and the following project dates: (i) Effective Date of Project 30 October 2016 and (ii) Project Closing Date: 30 April 2022. Based on current projections and expected absorptive capacities, it is expected that the project will be completed by the Project Closing Date. The breakdown of the practical completion for each Part is shown in the table below:

Task Name	Cost	% Complete
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<b>Vanuatu Infrastructure Reconstruction and Improvement Project</b>	<b>\$53,894,972</b>	<b>57%</b>
<b>Part 1: Road Reconstruction and Improvement ALLOCATED</b>	<b>\$25,049,985</b>	<b>67%</b>
<b>Part 1: Road Reconstruction and Improvement UNALLOCATED</b>	<b>\$748,000</b>	<b>49%</b>
<b>Part 2: School Reconstruction and Improvement ALLOCATED</b>	<b>\$12,990,291</b>	<b>51%</b>
<b>Part 2: School Reconstruction and Improvement UNALLOCATED</b>	<b>\$4,986,246</b>	<b>4%</b>
<b>Part 3: Public Building Reconstruction and Improvement ALLOCATED</b>	<b>\$5,602,226</b>	<b>55%</b>
<b>Part 3: Public Building Reconstruction and Improvement UNALLOCATED</b>	<b>\$800,000</b>	<b>0%</b>
<b>Part 4: Project Implementation and Technical Support</b>	<b>\$3,718,224</b>	<b>60%</b>

All Parts are generally proceeding well, with practical completions in line with the time projections. It is important to note a concerted effort has been made to raise the progress of Part 3 to bring it back onto schedule.

As described in Section 4.9 below, the overall budget position of VIRIP has been reviewed. Based on the current SDR:USD foreign exchange rate, VIRIP has USD48.38 million, representing a loss of USD1.61 million since the design of the project. At the same time, the Engineer Estimates have been updated and the physical contingencies (variations) more fully understood. As such, a number of activities have been removed as 'unallocated'. Some of these activities may be reintroduced or other added to unallocated depending upon the future tendered prices.

### **Resources**

At this stage, it is believed there are adequate resources across all types to complete the project on budget and schedule. However, PWD has allocated a young Engineer to perform the critical role of Compliance Engineer. This person was originally expected to start in October 2019, however, will now start in early 2020.

During the Mid-Term Review additional resources were requested to assist with the development of the NDRF and formation of a Recovery Unit, as outlined elsewhere in this report.

### **4.6 Institutional Stream**

The inclusion of an institutional stream to the program occurred following in-depth internal consultations and discussions amongst the Stakeholders and PST team. The rationale for the inclusion of institutional elements was that effective long-term recovery strategies cannot be developed, applied and utilised without some level of support to strengthen existing systems, support enhancements and recommend possible changes.

In July, VIRIP presented to the National Recovery Committee (NRC) a position paper, prepared by the DRF International Consultant containing a series of recommendations on Leadership and management of the NDRF completion and roll-out, July 2019 – December 2021. The paper recommended creation of an NDRF Steering Committee as a standing committee of the NRC, to be backed up by a director-level NDRF Operations Committee. It also recommended strengthening of DSPPAC's capacities in disaster recovery and the formation of a small NDRF team of national consultants. The paper contained a detailed NDRF roll-out and operationalization budget. It proposed that the Government request VIRIP to finance the team of national consultants, as well as to continue supporting the NDRF completion and roll-out through 2021, to be complemented by funding support from other donors. The position paper was endorsed by the NRC.

Simultaneously, the DRF International Consultant submitted to Government an NDRF Preparatory Working Paper and Work Plan, 2019-2021. Containing many of the substantive elements of an eventual NDRF, the paper also contained a detailed work plan and budget for NDRF preparation and roll-out, together with in-depth background notes and recommendations on issues of particular criticality, including community capacities and resilience; gender equity, social inclusion, environmental and social safeguards; and recommendations related to legislation, policies,

institutional responsibilities and risk-informed development. The Government, in turn, submitted the Working Paper and Work Plan, together with the NRC position paper and budget proposals, to the Government-World Bank Mid-Term Review of the VIRIP project.

The MTR approved the Working Paper and Work Plan, with some revisions. The paper was finalized in August and submitted to Government. The MTR likewise approved in principle the continuation of VIRIP budget support for the NDRF preparation and roll-out. Immediate approval was given to the financing of two national consultancy positions for the NDRF team: those of National Team Leader and of National Disaster Recovery Specialist. Terms of reference for these were subsequently finalized and advertised. The two successful candidates were selected and will start in early 2020.

#### 4.7 Project Management

The PST has spent considerable effort and time developing a range of standard operating procedures for the project. These procedures include: (i) Project Operations Manual (POM); (ii) Safeguards Manual (SM). Compendium of documents consisting of; Resettlement Policy Framework (RPF), Grievance Handling Redress Mechanism (GRM) and Environmental and Social Management Framework (ESMF); (iii) Procurement Manual (PM). Consisting of the Public Works Department's Procurement Manual with the VIRIP Procurement Supplement; (iv) Financial Management Procedures; (v) Contract Administration Manual (CAM)\*; (vi) Quality Control Manual (QCM)\*; (vii) Monitoring and Evaluation Plan (M&E Plan); (viii) Operations Manual\* (OM); (ix) Contingency Emergency Response Component (CERC); (x) Template Contractor's Quality Plan (CQP); (xi) Model Contractors Environmental and Social Management Plan (CESMP) \*

The PST is currently reviewing that manuals indicated with (\*) which is expected to continue through to early 2020. Importantly, PWD is awaiting the release of the MTR Aide Memoire, prior to the finalisation of some manuals.

A number of internal audits have been performed during the period, across the various functions of the project, including; procurement, contract administration, financial management and safeguards. Details of the internal audits were discussed during the MTR.

#### 4.8 Additional Financing

During the Mid Term Review the proposal for additional financing was discussed. It was agreed that the Government will further consider whether or not to request for additional financing under VIRIP.

It was agreed that the Project Implementation Committee (PIC) would review such a request, prior to referring the matter to the National Recovery Committee (NRC).

In the event the PIC and NRC endorses the development of an Additional Financing request, the World Bank will be requested to explore the opportunity.

#### 4.9 Financial Management and Performance

To date, total revenue received from the World Bank stood at Vt.1,767.2 million and the expenditure to date reached Vt. 1,544.6 million. In 2019, total expenditure reached Vt. 1,063.1 million which is an increase of Vt. 649.1 million from 2018 fiscal year.

The revenue Grant and Credit receipted from the World Bank in 2019 stood at Vt.1,079.7 million, of which Vt.634.7 million under Grant and Vt.445.1 million under Credit, respectively. The Outstanding Commitments stands at Vt.584.7 million. This comprised signed contracts for all project parts, excluding incremental operating costs.

#### **VIRIP Works Program and Budget**

In 2019, the VIRIP Project Value stood at USD 48,380,415 as provided by the Client Connection and early 2020 the Project Value was USD 48,735,533. This was attributed to the Exchange rate of 112.54

(USD/VUV), obtained from the Client Connection. In 2019, the budget stood at Vt.1,179.1 million that includes Vt.675.5 million for roads, Vt.278.5 million for schools, 108.7 million for Public Buildings and Vt. 116.9 million for Project Implementation.

Under budget for 2019, the actual expenditure reached Vt.1,063.1 million that is under spent by Vt.116 million. This underspending was attributed to slow mobilization of projects.

**Disbursement**

In 2019 fiscal year there were 13 disbursements in total of which 8 withdrawals under grant and 5 withdrawals under credit. The total value of disbursement in 2019 stood at Vt.1,079.7 million.

The current cash flow is positive, and the balance is always between Vt.60 million and Vt.90 million before another withdrawal is lodged in the client connection. Loan withdrawals is associated to the rate of outflows (expenditures).

**Expenditures (Annual)**

In 2019, total expenditure stood at Vt. 1,063.1 million. This shows a good performance for the project implementation.

Overall, the performance for the Q4, 2019 has improved compared to the same period in 2018 and this is because projects implementation is underway, and some have been completed.

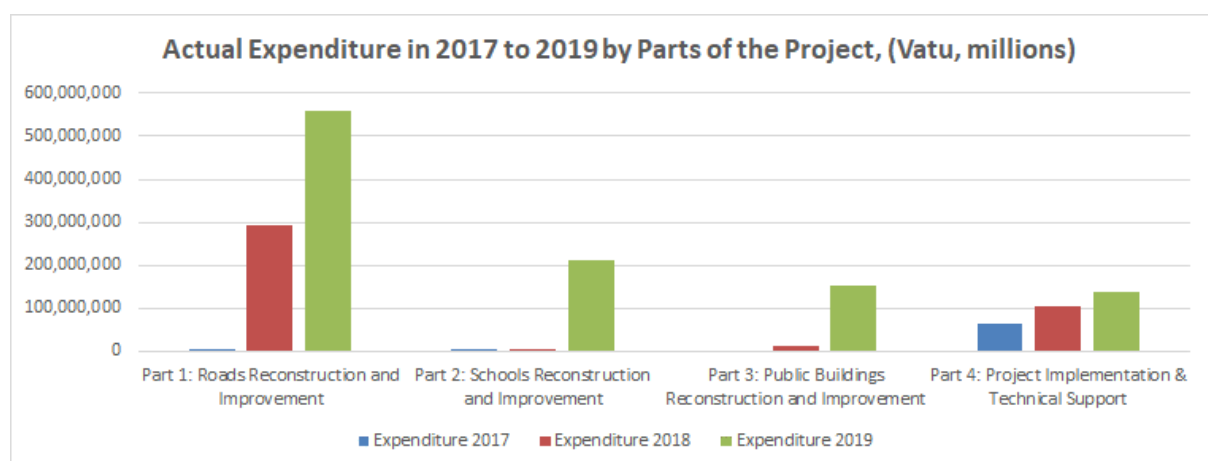
The incremental operating cost (IOCs) in 2019 stood at Vt.12.3 million. This is an increase by about 0.9 % from the 2018 expenditure. The IOCs will diminish in subsequent years as the initial cost of setting up as been purchased. Some itemized cost will be constant for example fuel, stationeries, Digicel and vehicle hire.

**Expenditure to Date**

To date, the total expenditure stood at Vt.1,544.6 million which covers the period from 2016 to 2019.

The two years’ expenditures for 2017 and 2018 were audited by Law Partners and was approved by the World Bank.

The 2019 financial statement is being prepared and will be provided to the World Bank for review before it will be provided to the Law Partners (auditors) to audit.



**Commitments**

The outstanding commitments to date stand at Vt.584.7 million. This includes contract variations but excluding incremental operating costs. The commitments will be reduced conditional to how fast the contractors mobilised and executing contract obligations according to the agreed timeframe.

### ***Vehicles***

In the first semester 2019, the VIRIP Office secured two hire vehicles as there is a need to speed up activity proposals for fundable projects. However, later part of the year, the office only manages one vehicle.

It should be noted that the VIRIP Office has supported the Public Works Department with four vehicles as approved by the World Bank to support design and supervision of works in the islands of Tanna, Malekula and Pentecost. It also responsible for assisting in maintaining of the vehicles, for example providing lubricants for vehicle services when requested by the Senior Vehicle Manager, Public Works Department.

### ***Expenditure against budget to date (by component)***

The total value of the contracts signed to date stands at Vt.2,539.6 million including works and service contracts. The Outstanding Commitments to date stand at Vt.584.7 million. This includes TA and Works Contract as shown by different Parts of VIRIP in the Table below.



Physical Works	FINANCING	COA	Description	Goods/Services/Works/Consultants/ Supervision/Design	Budget	Actual Expenditure
					<b>2,539,618,588</b>	<b>1,515,867,138</b>
<b>Part1: Road Reconstruction and Improvement</b>					<b>1,294,464,838</b>	<b>848,117,913</b>
<b>Physical Works</b>					<b>1,171,363,692</b>	<b>742,874,658</b>
W1-01-17 Tanna - King Cross Road Improvement - FRC	CREDIT	RCRR	Road Repairs and Maintenance	Works	101,358,561	100,638,581
W1-02-17 Tanna - King Cross Road Improvement - Binuan	CREDIT	RCRR	Road Repairs and Maintenance	Works	217,066,192	216,994,780
W1-03-17 Malekula - Improvement to Belven Stream (Warab) Crossing (IBC)	CREDIT	RCRR	Road Repairs and Maintenance	Works	18,128,018	12,211,545
W1-04-17 Malekula - Improvement to Uisa 5 Stream (Blacksand) Crossing (IBC)	CREDIT	RCRR	Road Repairs and Maintenance	Works	11,881,291	9,010,341
W1-05-18 Pentecost - Improvement to South Pentecost Road	CREDIT	RCRR	Road Repairs and Maintenance	Works	227,298,900	-
W1-06-18 Epi - West Epi Road Improvements - 800m FRC	CREDIT	RCRR	Road Repairs and Maintenance	Works	81,978,470	77,379,299
W1-07-18 Tongoa - Road improvements - 1000m FRC	CREDIT	RCRR	Road Repairs and Maintenance	Works	68,011,172	21,194,676
W1-08-18 Tanna - Luviana-Israfeti Road Improvement - 1000m FRC	CREDIT	RCRR	Road Repairs and Maintenance	Works	91,374,000	89,089,650
W1-10-18 Pentecost - Raward Point Coastal Road - Retaining Wall (3 x IBC)	CREDIT	RCRR	Road Repairs and Maintenance	Works	16,689,578	15,748,740
W1-11-18 Pentecost - Ranibato Road Improvement (2 x IBC)	CREDIT	RCRR	Road Repairs and Maintenance	Works	8,590,318	13,044,278
W1-12-18 Pentecost - Vanvok Hill - 300m FRC	CREDIT	RCRR	Road Repairs and Maintenance	Works	14,118,280	14,118,282
W1-13-18 Epi - Mangalila Road Improvement	CREDIT	RCRR	Road Repairs and Maintenance	Works	61,955,500	60,406,612
W1-14-18 Anshym Roads Improvement - Seiviri Rd	CREDIT	RCRR	Road Repairs and Maintenance	Works	19,984,121	11,384,140
W1-15-18 Paama Road Improvements	CREDIT	RCRR	Road Repairs and Maintenance	Works	10,127,709	17,880,743
W1-20-19 Tanna - Inatany Hill Rd Improvements	CREDIT	RCRR	Road Repairs and Maintenance	Works	111,755,450	36,900,443
W1-20-19 Tanna - Inaki Hill Rd Improvements	CREDIT	RCRR	Road Repairs and Maintenance	Works	37,434,100	11,358,740
SI-01-18 Purchase of 3 Vehicles	CREDIT	RCRR	Road Repairs and Maintenance	Works	12,604,000	12,604,000
<b>I.2) Design and Supervision</b>	<b>FINANCING</b>				<b>173,100,946</b>	<b>106,143,068</b>
SI-01-17 Design and Documentation of Roads	Grant	RCRR	Road Repairs and Maintenance	Design	31,087,500	25,030,753
SI-02-17 Develop QCM - John McFarlane	Grant	RCRR	Road Repairs and Maintenance	Design	10,717,434	7,488,381
SI-04-17 Supervisor for Tanna Works	Grant	RCRR	Road Repairs and Maintenance	Supervision	7,575,460	7,575,460
SI-05-18 Supervision of 2018-2019 Works	Grant	RCRR	Road Repairs and Maintenance	Supervision	68,501,000	52,415,387
SI-06-18 Design and Documentation of Bridges	Grant	RCRR	Road Repairs and Maintenance	Design	55,219,552	11,633,072
<b>Part 2: Schools Reconstruction and Improvement</b>					<b>657,016,544</b>	<b>217,677,263</b>
<b>Physical Works</b>					<b>543,800,694</b>	<b>178,787,278</b>
W2-01-18 Package 1: Efiata - Eton and Eljpe (Island Construction)	CREDIT	RCRB	Building Repairs and Maintenance	Works	71,421,521	59,052,666
W2-02-18 Package 2: Ngusa, Pele and Enou (MA Builders)	CREDIT	RCRB	Building Repairs and Maintenance	Works	33,360,000	14,784,143
W2-03-18 Package 3: Efiata - Etas and Maunau (ATOM LTD)	CREDIT	RCRB	Building Repairs and Maintenance	Works	44,380,000	32,810,500
W2-04-18 Package 4: Epi - Borokio, Lamey, Akama, Marliau (Kison's Home)	CREDIT	RCRB	Building Repairs and Maintenance	Works	64,980,236	38,988,098
W2-05-18 Package 5: Tongoa - Malawia, Ere, Nottage, Itakuma and Nawarzone (MA Builders)	GRANT	RCRB	Building Repairs and Maintenance	Works	55,890,237	33,161,871
W2-11-19 Package 11: Anehyam - Tenja High School	GRANT	RCRB	Building Repairs and Maintenance	Works	274,000,000	0
<b>2.1) Design &amp; Supervision</b>					<b>93,214,450</b>	<b>36,879,985</b>
SI-02-17 Asbestos Specialist	GRANT	RCCEC	Consultant Fees	Consultants	7,381,500	3,595,258
SI-03-17 Land Registration Officer	GRANT	RCCEC	Consultant Fees	Consultants	3,280,550	2,884,354
SI-04-17 Safeguards Officer	GRANT	RCCEC	Consultant Fees	Consultants	6,902,000	5,141,535
SI-05-17 Survey and Documentation of School Buildings (Kramer Aussenso)	CREDIT	RCCEC	Consultant Fees	Consultants	39,490,000	13,110,070
SI-05-18 Supervision of 2018-2019 Works (Mainguy Consulting)	CREDIT	RCCEC	Consultant Fees	Consultants	40,160,000	12,146,790
<b>Part 3: Public Building Reconstruction and Improvement</b>					<b>205,969,295</b>	<b>166,892,580</b>
<b>Physical Works</b>					<b>128,100,170</b>	<b>120,198,545</b>
W3-01-18 Package 1: Public Buildings - Caring Building	CREDIT	RCRM	Maintenance Contract	Works	4,712,413	4,614,103
W3-02-18 Package 2: Public Buildings in Port Vila - MA Builders	CREDIT	RCRM	Maintenance Contract	Works	80,676,510	81,365,616
W3-03-18 Package 3: Public Buildings - Metro and MIPU Building	CREDIT	RCRM	Maintenance Contract	Works	42,691,227	34,218,826
<b>3.2) Design &amp; Supervision</b>					<b>77,869,125</b>	<b>46,694,045</b>
SI-01-18 Survey and Documentation of Public Buildings (Kramer Aussenso)	CREDIT	RCRM	Maintenance Contract	Supervision	17,733,125	42,385,905
SI-02-18 Supervision of Public Building Works (Mainguy Consulting)	CREDIT	RCRM	Maintenance Contract	Supervision	40,160,000	4,308,140
<b>Part 4: Project Implementation and Technical Support</b>					<b>402,143,911</b>	<b>283,179,372</b>
<b>4.1.1) Project Staff</b>					<b>385,904,411</b>	<b>257,511,869</b>
SA-01-16 Project Manager/Coordinator	GRANT	RCCEC	Consultant Fees	Consultants	117,831,000	76,315,027
SA-02-17 Safeguard Specialist	GRANT	RCCEC	Consultant Fees	Consultants	64,287,350	66,299,437
SA-03-17 Procurement Specialist - Emile Leau	GRANT	RCCEC	Consultant Fees	Consultants	25,457,107	25,457,107
SA-04-17 Project Accountant	GRANT	RCCEC	Consultant Fees	Consultants	13,876,460	12,452,626
SA-05-17 Monitoring and Evaluation Specialist	GRANT	RCCEC	Consultant Fees	Consultants	20,779,500	12,404,745
SA-06-17 Procurement Specialist - Ian Garrille	GRANT	RCCEC	Consultant Fees	Consultants	54,576,900	25,721,800
SA-07-18 Contracts Manager	GRANT	RCCEC	Consultant Fees	Consultants	43,789,200	11,501,983
SA-08-18 Procurement Officer	GRANT	RCCEC	Consultant Fees	Consultants	4,904,496	3,894,577
SA-09-18 Junior Accountant	GRANT	RCCEC	Consultant Fees	Consultants	4,396,433	1,635,837
Jennifer Cavill	GRANT	RCCEC	Consultant Fees	Consultants	5,763,450	1,565,808
Civil Engineer					262,515	262,515
<b>Technical Support and Capacity Building</b>					<b>46,239,500</b>	<b>25,667,503</b>
NORE - Peter Nigel Fisher	GRANT	RCCEC	Consultant Fees	Consultants	20,706,000	12,528,882
Mark Bebe	GRANT	RCCEC	Consultant Fees	Consultants	8,888,000	340,000
Malcom Dalea	GRANT	RCCEC	Consultant Fees	Consultants	5,358,000	-
John McFarlane - South Santo Road	GRANT	RCCEC	Consultant Fees	Consultants	6,289,500	2,793,627

Table 2: Total Budget Distribution for the different components of the Project

PARTS	Description	Total Budget 5 Yrs. (USD)	Total VIRIP Budget	Actual Budget 2017 (VUV)	Actual Budget 2018 (VUV)	Actual Budget 2019 (VUV)	Budget 2020 (VUV)	Budget 2021 (VUV)
1	Roads Reconstruction and Improvement	24,735,533	2,783,736,884	874,957	292,748,317	853,671,180	1,726,854,310	484,983,722
2	Schools Reconstruction and Improvement	13,000,000	1,463,020,000	4,482,513	3,541,326	218,922,512	248,940,019	995,783,887
3	Public Building	6,500,000	730,854,985	0	13,157,750	167,381,750	99,368,244	482,048,550
4	Project Implementation and Technical Support	4,500,000	525,674,000	65,159,379	103,737,818	307,360,821	258,788,706	1,260,000
	Total5	<b>48,735,533</b>	<b>5,503,285,869</b>	<b>70,516,849</b>	<b>413,185,211</b>	<b>1,547,336,263</b>	<b>2,333,951,291</b>	<b>1,964,076,159</b>

These budget estimates are subject to review yearly to arrive at the right costings of each project activity for roads, schools and public buildings. Amounts in the Table above are in Local Currency Vatu (VT.112.45 = USD1) and is subject to change. The above budget is inclusive of 5% contingencies and taxes.

#### 4.10 Safeguards

Activities screening forms were completed for all proposed activities over the year in line with the VIRIP Environmental and Safeguards Management Framework (ESMF). Some screening forms required to be updated due to changes in design or in response to request for clarification by the Bank. Environmental and Social Management Plans (ESMPs) were completed for inclusion within all tender documents including revisions due to scope and design changes.

Over the year, ESMPs were more formally included as supplementary specifications in works contracts with payments against safeguards deliverables contained in contracts. Checklists are now used by Contract Supervisor Representatives (CSRs) as part of their approval system to ensure safeguards are being managed and are linked to contract payment approvals. This approach has resulted in quick response from contractors when improvements have been identified for safeguards as well as technical construction issues.

During the MTR, it was agreed that through increased codification and standardising of safeguards requirements in the ESMP, then the corresponding Contractor ESMPs (CESMPs) could be reduced to those key elements that only vary depending on individual works conditions, for example site specific conditions, community agreements and preferences as well as Contractor's preferred approaches to safeguards management. Once implemented in 2020, this more standardised approach will greatly assist contractors to clearly identify the variable safeguards requirements and respond to them appropriately while clearly understanding their standard safeguards requirements.

All CESMPs were reviewed, completed and approved by the SS over the year. Even with the supplied templates, a majority of the CESMPs received required some amendments with a minority deemed deficient, meaning the ESMP requirements were not adequately reflected in the CESMP. Therefore, the simplification of the CESMP to key site-specific variables (as described above) in 2020 will certainly assist Contractors to focus on their key safeguards responsibilities particularly for those that struggle with compiling suitable documents, even using the templates provided.

In terms of capacity building, the SS gave presentations on the VIRIP safeguards system and requirements at all pre-tender meetings for schools, public buildings and roads packages. Contract start-up meetings held at the start of all works contracts also contain a specific item on safeguards, with details of safeguards requirements including the CESMP template presented to all contractors.

Along with the CSRs, either the SS or the Safeguards Officer (Schools) attended the initial Joint Contractor Community Induction Meetings to set expectations with Contractors and confirm details with relevant communities. Throughout the year the SS met with designers and CSRs on a regular basis to reinforce requirements for effective due diligence, design and supervision of safeguards. The Safeguards Officer (Schools) worked closely with the CSRs on safeguards management at schools sites, attending selected monthly stakeholder meetings throughout the year and this is showing positive results.

Codes of Environment Practice for all PWD works in water (i.e. river crossings) were finalised at a workshop mid-year. The Department of the Environment (DEPC) has since adopted a conservative approach to their implementation, meaning the COEP will be first trialled under VIRIP works contract (South east Malekula).

Asbestos removal has continued in schools and public buildings and this has included training and capacity building around asbestos using Dale Austen, the contracted NZ expert. This training went well and

included training on sampling and planning sampling for ACM in complex, multiple-building sites. Case studies on asbestos removal under VIRIP, along with training materials is planned for 2020.

Community representative meetings take place regularly on all active contracts. An internal audit mid-year identified the need for follow up with community representatives should they not attend site meetings. This is now the norm for all CSRs who check with community representatives if all is well from a community perspective.

The second version of the VIRIP Community Consultation Plan was completed in Q4 and sets out the meetings and consultation required throughout the VIRIP project activity cycle. With an emphasis on multiple consultations from the earliest planning and design stage, it is apparent that complaints and grievances are largely avoided or typically dealt with immediately in line with local customary practices. This sets up a challenge for the project monitoring system in that complaints and resolutions that customarily take place on the local Nakamal are not usually recorded. While current controls and requirements will continue in line with the GRM, opportunities to confirm there are no outstanding complaints or grievances will be explored in 2020, likely in line with project completion and demobilisation checks and assessments.

#### 4.11 Procurement

##### **Procurement Strategy**

VIRIP has completed its procurement strategy throughout the period on how procurement will be conducted for the life of VIRIP. This has occurred through understanding the level of demand and likely cost and the construction industry capability.

##### **Current Procurement**

During the period the services of the Procurement Specialist was terminated for convenience. The Project Manager/Coordinator has assumed the responsibilities of the Procurement Specialist in the interim, until a permanent solution is determined. During the period the following items of procurement were either started, underway or completed:

- W1-05-18 Pentecost - Improvement to South Pentecost Road
- W1-07-18 Tongoa - Road Improvements
- W1-08-18 Tanna - Lowiaru-Imafen Road Improvement - 1000m FRC
- W1-16-19 Malekula - Road Improvements
- W1-18-19 Erromango Dillons Bay Road Improvements (10 x IBC)
- W1-20-19 Tanna - Iatakuey Hill Road Improvements
- W1-21-19 Tanna - Imake Hill Road Improvements
- W1-17-19 Pentecost - North and Central Pentecost Road Improvements
- S1-06-19 Design and Documentation of Bridges
- S1-07-19 Supervision of 2020-2022 Works
- W2-01-18 Package 1: Efate - Eton and Ekiye
- W2-02-18 Package 2: Nguna, Pele and Emau
- W2-03-18 Package 3: Efate - Etas, Maumau
- W2-04-18 Package 4: Epi - Bonkovio, Lamenu, Akama, Mafilau
- W2-05-18 Package 5: Efate - Nuakwanapu, Greenhill and Nakuskasaru
- W2-07-18 Package 7: Paama - Vutekai, Lire, Lehili and Luvil
- W2-08-19 Package 8: Tongoa - Malawia, Ere, Nottage, Itakuma and Naworaone
- W2-09-19 Package 9: Efate - Kawenu

- W2-10-19 Package 10: Malekula - Lonvat Junior High School
- W2-11-19 Package 11: Aneityum - Teruja High School
- W3-03-18 Package 3: METEO and PWD Buildings
- W3-04-19 Package 4: Erromango - Health Buildings
- W3-05-19 Package 5: Pentecost - Health Buildings - Loltong and Aute

### **Future Procurement**

During the next 4 months a high concentration of procurement will be started:

- W1-22-20 Improvements to Key Crossings - Bridges and Culverts
- W2-06-18 Package 6: Shepherds - Senecol, Coconak, Worarana, Makira and Mataso
- W2-12-19 Package 12: Tongoa - Nabangasale High School
- W2-14-19 Package 14: Ambrym - North Tobol, Linbul, Ranon and Fania
- W2-15-19 Package 15: Ambrym North - Magham, Olal, Megamone and Fonteng
- W3-09-20 Package 9: Malekula - Norsup Hospital Maternity Ward
- W3-10-20 Package 10: Efate - PWD Shefa Headquarters

Fortunately, most of the documents and technical packs are now standardised with the completion of most designs, so the process of procurement will be somewhat routine.

Active marketing has secured the interest of further suitable contractors. This should take the pressure off the market to respond to these opportunities.

All VIRIP procurement is being conducted through VIRIP PST staff. Evaluation Panels for the Roads, Schools and Public Buildings involve the relevant government departments directly in procurement decision making. Departmental staff are supplemented by local consultants in 2 of the 3 panels to strengthen technical (engineering) expertise and to assist in achieving a quorum; this will continue whilst GoV departments working with VIRIP maintain their current organisation structures. The Procurement Officer role continues to be expanded, as her capabilities improve.

## **5. Risk Management and Key Lessons Learned**

A risk analysis has been developed to identify some key lessons learned during the first three years of implementation. The intention is not to criticise and make judgements but rather to reflect on the key learnings from a strategic, technical and operational perspective. The following lessons have been discussed and prioritised among the PST. In documenting lessons, the PST is also seeking to identify strategies to replicate good lessons or mitigate potential negative lessons.

### **Strategic**

Key Lessons	Strategies to Replicate and/or Mitigate
Mid Term Review clarified a number of strategic issues, including issues of better engagement, realisation of current operating context, harmonisation of systems, resource requirements and better coordination and cooperation. The issues must also be aligned with the increasing relevance of the National Disaster Recovery Framework.	Update the Project Operations Manual and supporting Manuals.
Engagement with GoV counterparts and working through locally-led governance mechanisms such as the NRC and PIC is of utmost strategic importance.	Need to continue to reinforce the importance of the NRC and PIC and governance mechanism as a means not only as an approval body but one that provides strategic engagement and support.

Alignment of project objectives and approaches to existing systems and processes and to avoid establishment of establishing parallel systems	Where possible, harmonise the systems for VIRIP with other development partners.
Need to maintain open and positive engagement with World Bank teams to utilise knowledge and experience, particularly for strategic components such as finance and procurement	PST has established close communication with the relevant specifics and engaged around.
The lack of capacity within MIPU/PWD to implement VIRIP has a significant influence on the ability of the project to meet targets and work-plan priorities.	Continue to work with MIPU/PWD to rationalise roles and functions to ensure effective management.  Where incremental support is needed, this shall be reviewed.
Perceived lack of cohesion within project implementation.	Seek continued leadership and direction from MIPU/PWD management and encourage ownership at all levels of management.

### Technical

Key Lessons	Strategies to Replicate and/or Mitigate
Align and mainstream systems from VIRIP into Government processes.	Engage with key stakeholder to agree on plan for better alignment and mainstreaming.
Key safeguards framework documents don't reflect country and project specific needs – for example the system of land ownership and compensation is already in place for infrastructure development.	Rewrite and restructure documents to more accurately reflect and set out mechanisms for safeguards and compensation. The safeguards framework has been updated as part of the MTR process.
Asbestos sampling is a critical component of any infrastructure-based work in Vanuatu.	As outlined in the EMSF, due to wide range of building types and ages, sampling to take place at all selected schools and public buildings.
Important to ensure program targets, and indicators (even when designed previously) need to always align to relevant GoV policies and strategies.	M&E Framework is being updated based on MTR recommendations and a potential shift in scope of program activities.

### Operational

Key Lessons	Strategies to Replicate and/or Mitigate
As the project becomes better aligned with the existing operating context, there is an increasing need to improve communications.	PST to maintain close consultation with GoV and World Bank representatives.

## 6. Monitoring and Evaluation

The main focus of M&E for the year was on supporting and preparing the team for the Mid-Term Review (MTR) process in August 2019. Work involved an internal review of progress to date against the DAC criteria of relevance, effectiveness, efficiency, impact and sustainability. Interviews were held with each PST team member and key stakeholders including PIC members from PWD, MoET and NRC.

In addition to the review, the VIRIP results framework was reviewed and updated with relevant information and data. A number of indicators and targets were reviewed, and these will be discussed with the MTR team. The “inflexibility” to adjust and change relevant outputs, outcomes and targets means that the program does not fully capture the broad scope of work that is currently being implemented. The focus on physical works delivery tends to under-estimate the importance of institutional strengthening and the building of resilience and capacity.

The internal review process provides an opportunity to brief key stakeholders on the strategic intent and purpose of the MTR and also to critically review and appraise perceptions of VIRIP and discuss possible future directions and priorities.

M&E support was provided also for on-going quarter progress and annual reporting.

## 7. Conclusions

VIRIP continues to progress a diverse range of activities across roads, schools and public buildings. The planning and design component is nearly complete, and procurement is well advanced and will gradually scale down during the remainder of 2019. Contracting efforts have scaled up significantly in the past quarter as new projects come on stream and contract packages are prepared.

The works program across the sectors is progressing well and the narrative above has highlighted the key progress and associated issues that have been experienced during the quarter. There have been some delays with regards to roads which has affected performance, but these are expected to improve in the coming quarter. A total of 52% of the roads program is complete and 36% of schools are completed. In addition, nearly half the public buildings have been completed (44%)

The on-going development and prioritisation of the NDRF is notable and requires a potential rethink around the structure and strategic intent of the program. The NRC's position paper provides useful insights into possible strategic directions.

VIRIP continues to work well with its stakeholders and is well engaged with PWD, MoET, NSDP and NRC. The governance structures established through the PIC are well established, however there is a need to consider the balancing and representation of key members.

A core focus during the quarter has been preparations for the MTR. Work has involved an internal review, consultations with key stakeholders and a review of systems and process, including an update the results framework. Many of the issues raised in this QPR and the MTR report will be discussed during the MTR period in August 2019.

## Appendix 1: Works Program



200214 Works Programme - Implementation and Procurement + Baseline							2017	2018	2019	2020	2021	2022
ID	Task Name	Duration	Start	Finish	Cost	% Complete	Notes					
1	Vanuatu Infrastructure Reconstruction and Improvement Project	1765.42 days	Fri 1/07/16	Fri 20/01/23	\$53,894,572	57%						
2	Part 1: Road Reconstruction and Improvement ALLOCATED	1563.1 days	Mon 3/04/17	Fri 20/01/23	\$25,049,985	67%						
3	Services	1287.03 days	Mon 1/05/17	Tue 8/02/22	\$2,098,843	74%						
4	S1-01-17 Design and Documentation of Roads	657 days	Mon 2/10/17	Mon 4/05/20	\$296,071	85%	Nearly complete, awaiting designs for North and Central Pentecost, Epi and					
14	S1-02-17 Develop QCM	370.71 days	Fri 1/09/17	Thu 17/01/19	\$102,071	100%	Finished					
23	S1-03-17 Pavement Specialist	77 days	Mon 1/05/17	Fri 11/08/17	\$2,340	100%	Finished					
30	S1-04-17 Supervisor for Tanna Works	378.65 days	Thu 1/06/17	Fri 26/10/18	\$58,305	100%	Finished					
39	S1-05-18 Supervision of 2018-2019 Works	703.15 days	Wed 10/01/18	Thu 20/08/20	\$652,390	100%	Finished					
49	S1-06-19 Design and Documentation of Bridges	280 days	Fri 1/03/19	Mon 16/03/20	\$430,666	80%						
59	S1-07-19 Supervision of 2020-2022 Works	614 days	Wed 30/10/19	Tue 8/02/22	\$437,000	7%	Contract signed					
69	2017 Annual Works Plan	963.29 days	Mon 3/04/17	Thu 29/10/20	\$2,985,474	88%						
70	W1-01-17 Tanna - King Cross Road Improvement - FRC	619.16 days	Mon 15/05/17	Fri 30/08/19	\$900,645	100%	Finished					
85	W1-02-17 Tanna - King Cross Road Improvement - Bitumen	963.29 days	Mon 3/04/17	Thu 29/10/20	\$1,928,792	74%						
103	W1-03-17 Malekula - Improvement to Batvan Stream (Naramb) Crossing (2 x IBC)	493.1 days	Mon 30/10/17	Wed 28/08/19	\$75,309	100%	Finished					
116	W1-04-17 Malekula - Improvement to Unua S Stream (Blacksand) Crossing (2 x IBC)	513.42 days	Mon 30/10/17	Wed 25/09/19	\$80,728	100%	Finished					
129	2018 Annual Works Plan	1193.35 days	Mon 30/10/17	Tue 5/04/22	\$5,540,061	78%						
256	2019 Annual Works Plan	829 days	Fri 1/02/19	Wed 2/03/22	\$5,230,629	40%						
257	W1-16-19 Malekula - Road Improvements	829 days	Fri 1/02/19	Wed 2/03/22	\$2,326,802	18%	Out for tender					
275	W1-17-19 Pentecost - North and Central Pentecost Road Improvements	515 days	Fri 1/02/19	Wed 30/12/20	\$1,000,000	30%	Ready for tender					
287	W1-18-19 Erromango Dillone Bay Road Improvements (10 x IBC)	431 days	Tue 9/08/19	Thu 11/03/21	\$439,862	25%	WB approved AP. WB requested Clarifications. WB recommended Force Account.					
297	W1-20-19 Tanna - Iafakusy Hill Road Improvements	241 days	Fri 1/02/19	Wed 25/12/19	\$993,029	100%	Finished					
309	W1-21-19 Tanna - Imaka Hill Road Improvements	299 days	Fri 1/02/19	Thu 12/03/20	\$470,536	78%						
321	2020 Annual Works Plan	768 days	Mon 16/03/20	Fri 20/01/23	\$9,000,000	0%						

Critical	-----	Split	.....	Finish-only	□	Baseline Milestone	◇	Manual Summary	▬	Inactive Task	▬
Critical Split	.....	Task Progress	▬	Duration-only	▬	Milestone	◆	Project Summary	▬	Inactive Milestone	◇
Critical Progress	▬	Manual Task	▬	Baseline	▬	Summary Progress	▬	External Tasks	▬	Inactive Summary	▬
Task	▬	Start-only	□	Baseline Split	.....	Summary	▬	External Milestone	◇	Deadline	↓

