

TERMS OF REFERENCE

Project: Fiji Tourism Development Program in Vanua Levu – Phase I

Project ID No: P178694

Assignment Title: Preparation of a Strategic Environmental and Social Assessment (SESA) for the Fiji Tourism Development Program in Vanua Levu

Duration: 10 months (Stage One: 6 months + Stage Two: 4 months as a phased approach)

Expected Start Date: December 2023

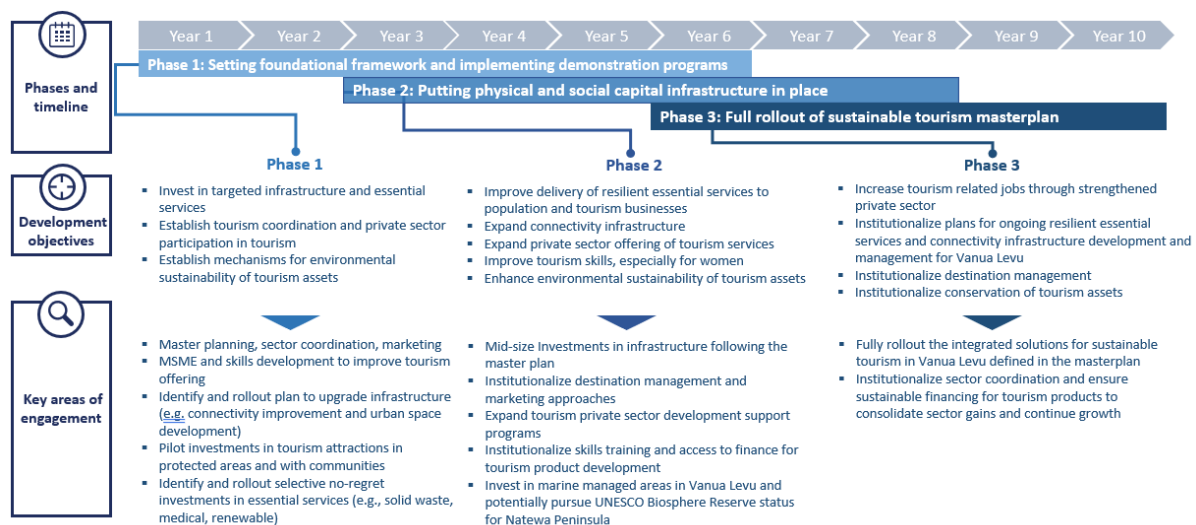
1.0 INTRODUCTION

The Fiji Tourism Development Program in Vanua Levu (TDPVL) or ‘Na Vualiku’, is a World Bank (WB) supported project being implemented by the the Ministry of Tourism and Civil Aviation (MTCA). The Program aims to support resilient and sustainable tourism development in Vanua Levu and Taveuni through coordinated destination development, critical infrastructure and essential services investments, and emergency preparedness.

The TDPVL will be implemented over a multiphase programmatic approach (MPA). The MPA is a comprehensive over-lapping 3-phase tourism development program in Vanua Levu and Taveuni that will support the realization of Fiji’s national development, private sector growth, and green growth plans. The program has two main aims: a) to improve the resilience and sustainability of the tourism industry, including short-term recovery and longer-term diversification and high-value growth; and b) to facilitate the execution of existing Government plans.

The conceptual framework of the 10-year MPA is shown in Figure 1.

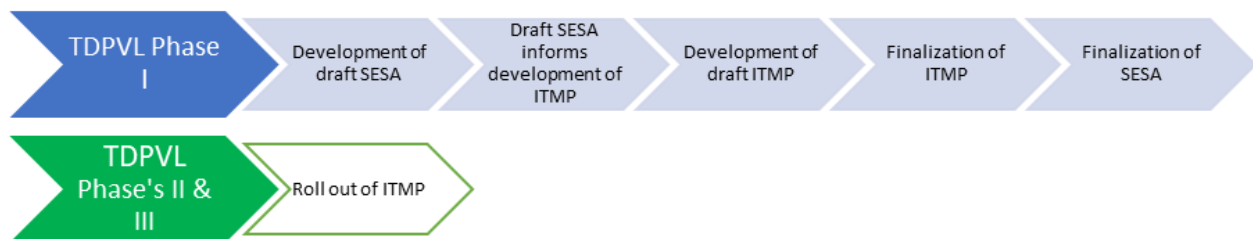
Figure 1 – 10-year MPA Conceptual Framework



Phase I of the program includes the development of an Integrated Tourism Master Plan (ITMP) that will guide future investments. However, tourism development can generate new, or worsen existing, environmental and social issues. Therefore, a suitably qualified consulting firm is required to support the MTCA, the Central Project Management Unit (C-PMU) and its provincial counterparts in the conduct of a comprehensive Strategic Environmental, Social Assessment (SESA) to ensure the sustainable growth of the tourism sector.

The SESA will be prepared in two stages: draft and final. The Draft SESA will inform the development of the ITMP and subsequent national and provincial strategies and investments to ensure the sustainable development of the tourism sector. The Draft SESA will be finalized during the implementation stage of TDPVL Phase I, prior to the development of the ITMP (Figure 2). The Final SESA, to be completed subsequently during the implementation of Phase I, will assess the environmental and social risks associated with the entire ITMP. Phases II and III of the TDPVL will support the rollout of the ITMP.

Figure 2 – SESA Development Phases

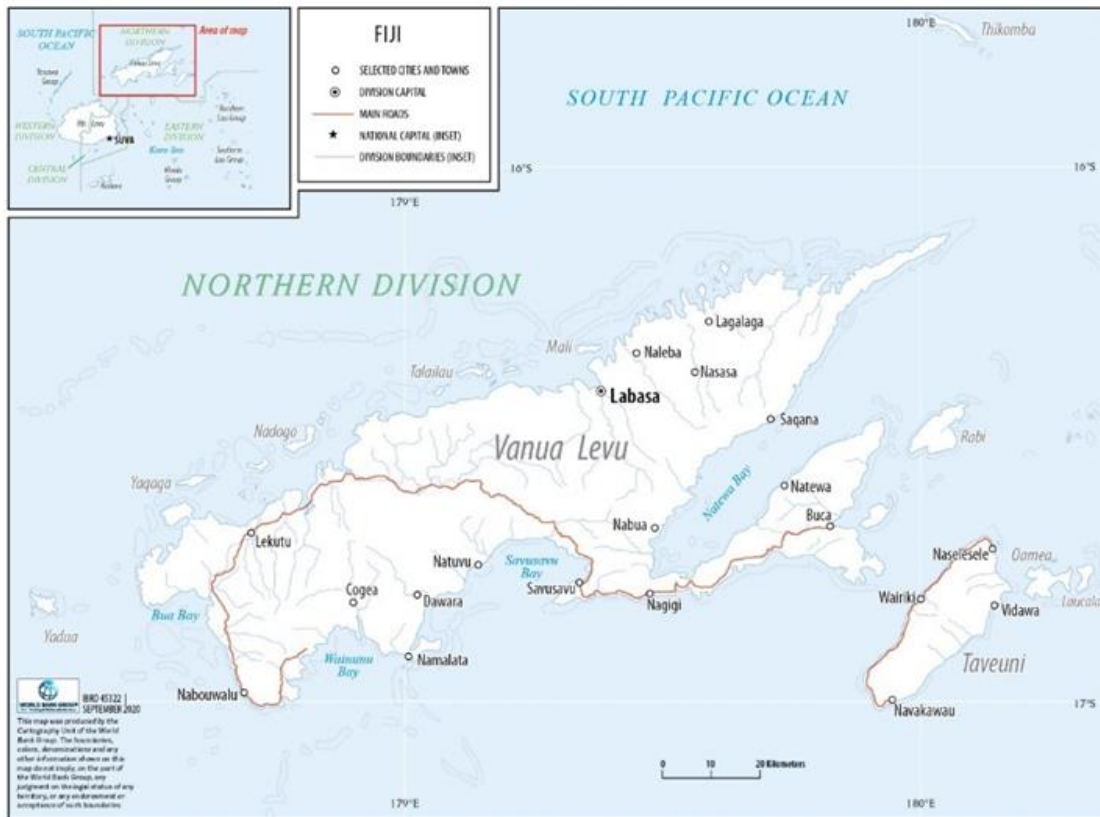


2.0 CONTEXT

2.1 Country Context

Vanua Levu is the second largest island in Fiji located 64 kilometres to the north of Viti Levu (Figure 3). Vanua Levu hosts approximately 130,000 inhabitants, or about 15% of the country's population in just under 5,600 square kilometers of rough, hilly terrain and coastline surrounded by coral reefs. The island's main population centres are the towns of Labasa, in the north, and Savusavu, located at the foot of the peninsula. Vanua Levu is divided into three Provinces: Bua (in the west), Macuata (in the north-east), and Cakaudrove (in the south-east). A 17,600 hectares area covering much of the interior of the Natewa/Tunuloa Peninsula, is an Important Bird Area (IBA) including Crimson-crowned Fruit Dove, Fiji Goshawk, Fiji White-eyes, Fiji Woodswallow, Orange Fruit Dove, Red-throated Lorikeet, Shy Ground-dove, and Silktails. Taveuni Island is also part of the project target area due to its connectivity to Vanua Levu. It is the third largest island in Fiji with a total land area of 434km² and a population of 19,000. Taveuni is situated 6.5km to the east of Vanua Levu and has abundant flora and birdlife. The environmental, social, and cultural values underpin the country's tourism sector.

Figure 3 - Map of Fiji's Northern Division



2.2 Sector Background and Policy Context

Tourism plays a crucial role in Fiji's economy. The sector, directly and indirectly, contributes nearly 40 percent of the annual GDP. However, the homogenous nature of Fiji's tourism sector makes it vulnerable to external shocks. Fiji is also vulnerable to natural disasters and climate events. Natural hazards such as tropical cyclones, impose high costs on the country with often disproportionate impacts on Vanua Levu, given its location.

The Government is working to address these risks by diversifying its tourism sector—increasing its geographic spread and the type of experience on offer. Vanua Levu and Taveuni's abundant and untapped nature-based tourism resources offer great potential to help achieve this. In Vanua Levu, tourism is one of the few economic sectors that offer formal employment and entrepreneurship opportunities, especially for women and youth, positioning it as a dominant sector for growth. Detailed market demand analysis shows the main barriers to Vanua Levu's development as a tourist destination have been insufficient transport infrastructure and essential services, uncoordinated plans and institutions, and a cumbersome business environment. Addressing these binding constraints will boost tourism development, enhance the livelihood of local communities, and improve business climate for both tourism and non-tourism private sector.

The Government of Fiji's (GOF) aim is for a more sustainable, inclusive, and resilient tourism sector. The GOF has adopted a long-term strategy to grow the value of the tourism sector. It focuses on boosting arrivals from high-value, long-haul markets, ensuring coordination among

the many stakeholders, increasing the share of revenue retained in the local economy, and spreading the benefits of tourism throughout the country. Vanua Levu is well positioned to support this strategy as it already attracts a larger share of high-value tourists than the national average (55 percent versus 23 percent). In Vanua Levu, tourism is also one of the few economic sectors that offer formal employment and entrepreneurship opportunities, especially for women and youth, positioning it as a dominate sector for growth.

2.3 TDPVL Overview

Phase I (IDA: US\$61.5 million) runs from year 1 to year 6. It will set the foundations for sustainable tourism in Vanua Levu. It will directly tackle the major barriers to tourism growth, namely, insufficient transport infrastructure and essential services, uncoordinated plans and institutions, limited private sector and community engagement in the tourism sector, and vulnerable environmental assets and natural resources. Phase I investments will identify and rollout: a) support for integrated tourism master planning and sector and destination coordination activities, as well as pilot support for post-COVID-19 MSME recovery and expansion to enhance services and products, skills development, and business capabilities, particularly targeting women; b) improvements in the environmental sustainability of tourism assets and safeguard ecosystems; c) the upgrade of critical and urgent infrastructure (for example, improving the configuration, safety, and resilience at Savusavu and Labasa domestic airports, and upgrading the Cross Island Road linking Labasa and Savusavu into a safer and more resilient scenic road), selected no-regret investments in essential facilities (such as solid waste management), cityscape enhancement in Savusavu and Labasa with a community-driven approach, and feasibility studies for medium- and longer- term infrastructure investment options to be implemented in the following phases; and d) institutional capacity building to support deeper engagement in subsequent phases. Environmental and Social risks, such as gender-based violence and sexual harassment that could be exacerbated by increased tourism and construction activities, will be assessed and addressed through the Environmental and Social Commitment Plan, and mitigation measures will be supported throughout each phase of the project.

Phase II (IDA: US\$70 million) will tentatively run from year 3 to year 8 (depending on progress and performance of the first phase). It will put physical and social capital infrastructure in place. Phase II will build on lessons learned from Phase I. It will continue to improve resilient essential services and infrastructure for the local population and tourism businesses, and further enhance the environmental, social, and cultural sustainability of tourism assets. More specifically, Phase II investments will capitalize on the findings from the feasibility studies conducted in Phase I, including those for a greenfield airport in Vanua Levu, wastewater management infrastructure and systems in Savusavu, and renewable energy development options in Vanua Levu. These investments will prioritize the development of viable and critical mid-size infrastructure and essential services that will enable the opening of new areas for tourism investment. Private sector development will be a core part of Phase II. Activities will deepen and expand coordination within the tourism sector and destinations, institutionalize skills training, raise destination awareness, and facilitate access to finance for private sector tourism and product development, especially for women entrepreneurs and wage employees. In this Phase, a broad MSME development initiative will be launched to build private sector engagement in tourism, create new market-driven tourism products and services, and foster investment to enhance the quality of the tourism offering. This initiative will be built on the important lessons learned through the MSME pilot supported in Phase I, particularly around sustainable access to business development services and financing needs

for private and community-led MSMEs. Furthermore, Phase II will also invest in marine managed areas (MMAs) and other effective area-based conservation measures (OECMs) in Vanua Levu and potentially pursue United Nations Educational, Scientific, and Cultural Organization (UNESCO) Biosphere Reserve status for Natewa Bay and Peninsula. Broader issues in response to gender-based violence and sexual harassment that could be exacerbated by increased tourism will continue to be supported in this phase.

Phase III (IDA\$68.5 million) tentatively runs from year 6 to year 10. It will support the full roll out of the investments, coordination mechanisms, and policy reforms identified in the sustainable, integrated tourism master plan developed in Phase I. It will continue institutionalizing sector coordination through policy reform and facilitating sustainable financing for tourism products to consolidate sector gains and growth. Building on the previous two phases, this final phase will see more longer-term outcomes, such as improved infrastructure connectivity, increased tourism revenue and tourism-related jobs, and increased community benefits from integrated tourism development in Vanua Levu. Those community benefits include more resilient essential services and increased conservation of Vanua Levu's tourism assets.

Phase I Project Activities

TDPVL components and activities associated with the Phase I Project included in the Program Appraisal Document (PAD) are outlined below. A more detailed project description of the Phase I activities is provided in Annex B.

Component 1: Overcoming Barriers and Developing Sustainable Tourism (US\$12.45m), aims to address three out of the four main barriers to developing Vanua Levu into a sustainable and resilient tourism destination, namely: i) uncoordinated plans and institutions; ii) limited entrepreneurship support, especially for community and women's engagement in tourism; and iii) vulnerability to natural and climate-related hazards. It will also protect and restore ecosystems through strengthening natural resource management and biodiversity conservation. It will be implemented by MTCA with technical partners Tourism Fiji (1a), Ministry of Trade, Co-operatives, Small and Medium Enterprises (MTCSME) (1b), National Trust (1b), Department of Environment (1c), Ministry of Forestry (1c), Ministry of Fisheries (1c), and Ministry of Rural and Maritime Development and Disaster Management (MRMD) (1d). Component 1a includes the development of the ITMP.

Component 2: Building Resilient Tourism Infrastructure (US\$40.05m), will focus on: (a) investments in improving existing air and land transport connectivity infrastructure and services; (b) essential facilities upgrades and investments in local population services and natural resource protection to meet urgent needs and resilience standards; and (c) improving the cityscapes of key tourism hubs in Vanua Levu through interim and permanent interventions. The Project will finance planning and direct investments in all three areas, which will be expanded during future program phases. Phase I will give immediate attention to urgent infrastructure and essential service gaps that benefit the local population and increase Vanua Levu's capacity to sustainably accommodate a growing number of tourists. All new and upgraded infrastructure will take a people-centric approach and be designed considering the specific needs of women; women will be targeted in engagement processes to ensure their perspectives are incorporated. Component 2 is assigned to Pillar 4 of the GCRF. The component will be overseen by MTCA and subcomponents will be implemented by Airports Fiji Limited (AFL) (2a), Fiji Roads Authority (FRA) (2a, 2c), and MTCA in coordination with Ministry of Local Government (MoLG) and Savusavu and Labasa Town

Councils (2b, 2c), and in consultation with technical partners including the Water Authority of Fiji (2b), Department of Environment (2b) and Energy Fiji Limited (2b).

Component 3: Tourism Capacity Enhancement and Project Management (US\$9m), will address capacity challenges to improve institutional coordination between implementation agencies and enhance the enabling environment for private sector-led sustainable tourism. It will be implemented by MTCA with technical partners iTaukei Land Trust Board (3a), FRA (3a), Water Authority Fiji WAF (3a), and National Trust of Fiji (3a).

Context of the ITMP

Numerous uncoordinated plans exist for tourism development in Vanua Levu. There is a critical need for coordination to bring together the plans and visions of the agencies, organizations, and businesses involved. The development of the ITMP aims to consolidate existing plans for development in the Northern Province to create a framework for sustainable tourism growth, destination management, and promotion in Vanua Levu and Taveuni. The outcome is to improve tourism development planning with effective coordination and whole of government approach for tourism management. The ITMP links the three phases of the WB funded TDPVL Program that will pick up some, but not all of the activities informed by the recommendations on the ITMP. Implementation of the ITMP is intended to continue beyond the Program.

3.0 SESA AIM AND OBJECTIVES OF THE ASSIGNMENT

A SESA is a set of analytical and participatory processes for incorporating environmental and social considerations, at early stages of decision making, into policies, plans, and programs that affect natural resources.

The overall aim of this assignment is to provide technical assistance to the MTCA, C-PMU and its provincial counterparts to prepare a SESA to examine the risks and impacts associated with the implementation of the ITMP. Its findings and recommendations will be a core input to the activities of the program.

The SESA will be completed in **two stages**: draft and final. This TOR includes: **stage one**; development of a Draft SESA to inform the development of the ITMP that will be financed through the Phase I Project (7 months); and **stage two**; preparation of the Final SESA to examine the potential risks and impacts of the final ITMP (3 month). Completion of stage one and two is expected to take 10 months total staff time. Commencement of final SESA will be coordinated with development of the draft ITMP.

Specific objectives of the stage one Draft SESA are to:

- Identify and examine environmental, social, and cultural heritage priorities associated with the sustainable development of the tourism sector in Vanua Levu and Taveuni;
- Assess the potential direct, indirect, and cumulative environmental, social, and cultural heritage benefits and impacts of current/proposed physical and policy interventions, and their potential to address environment, social, and cultural heritage priorities for the sustainable development of the tourism sector in Vanua Levu and Taveuni;
- Propose a set of actionable recommendations by which these issues can be addressed so as to enhance environmental sustainability and social equity of sector development;

- Identify the environmental and social legislative and policy gaps and propose gap filling measures to be included in the ITMP.
- Provide institutional strengthening through mentoring and on-the-job training to the MTCA and C-PMU.
- Provide clear guidance on the finalization of the Draft SESA.

Specific objectives of the stage two Final SESA are to:

- Assess the extent to which the recommendations made in the Draft SESA were addressed in the Final ITMP and other legislative and policy gap filling interventions.
- Update the Draft SESA to assess the environmental and social risks and impacts associated with the final ITMP.
- Continue institutional strengthening of the MTCA.

4.0 SCOPE OF SERVICES AND DESCRIPTION OF TASKS

4.1 Approach

The Draft SESA shall be consistent with the WB Environmental and Social Framework (ESF) and will be prepared in compliance with Fiji legislation, Fiji's international agreements, and good international industry practices (GIIP) via a participatory approach involving consultations with the main stakeholders in government, industry, civil society, and the community at national and provincial levels. For consultations and engagements with stakeholders, SESA activities shall be guided by the Project's Stakeholder Engagement Framework (SEF).

The Draft SESA will focus on the identification of environmental, social, and cultural heritage priorities and opportunities for the sustainable development of the tourism sector and an assessment on how these priorities are likely to be influenced, positively or negatively, by the continued development of the tourism sector at the national and provincial levels.

The draft SESA shall be prepared consistent with the WB's Strategic Environmental Assessment (SEA) guidance¹. An indicative outline of the Draft SESA is included in Annex C. The WB SESA definition is included in Annex D.

The Consultancy are expected to provide mentoring and on-the-job training to the MTCA, C-PMU and its local counterparts to transfer knowledge and skills for assessing and integrating social, environmental and cultural heritage benefits and environmental and social risk management into tourism planning, implementation, monitoring, and evaluation.

The Final SESA must also be consistent with the WB ESF and compliant with Fiji legislation, Fiji's international agreements, and GIIP.

¹ Strategic Environmental Assessment in Policy and Sector Reform available at:

<https://openknowledge.worldbank.org/entities/publication/e5af2482-9c2c-579a-9afe-51ef685b59f1>

Guidance Notes on Tools for Pollution Management, including SEA, are available at:

<https://www.worldbank.org/en/topic/environment/publication/sourcebook-pollution-management-policy-tools>

4.2 Key Tasks – Stage One: Draft SESA – 7 months

a) Inception and Policy Formulation Process Alignment

The Consultancy will confirm the policy formation process for the ITMP and relevant tourism strategies including the governance arrangements, policy development status and schedule, and stakeholder engagement and public consultation activities.

The Consultancy will ensure that the Draft SESA process is aligned to policy formulation process to maximise opportunities for the Draft SESA to provide input and influence the development of the ITMP and relevant provincial strategies at the earliest stage.

b) Stakeholder Analysis and Stakeholder Engagement Planning

The Draft SESA is a mechanism to engage all key stakeholders potentially affected by the ITMP and tourism development strategies.

Stakeholder Analysis

The Consultancy, following the SEF and in collaboration with the team preparing the ITMP, will identify the key tourism sector stakeholders, being sure to differentiate data by gender, analyse their interests in and influence over the tourism sector and the implementation of the ITMP, including reviewing the role, mandate, and linkages of the various institutional stakeholders.

Non-Government Organisations (NGOs) and Community Based Organisations (CBOs) including faith-based organizations, private sector operators, and specific interest groups (fish and fruit/vegetable suppliers, handicraft associations, hiking/water sports/diving/cruise associations, transport operators, tourism association, construction companies, etc.) that are likely to benefit or be affected by developments in the tourism sector should be also included. Specific attention will be paid to identifying local communities and analysing their structure and organization and to assessing possible changes in income dynamics, and possible indirect and induced impacts from the tourism sector.

Key stakeholders such as local councils, the iTaukei Land Trust Board (TLTB), the National Trust, Ministry of Waterways and Agriculture, Department of Environment, Ministry of Fisheries and Forestry, Ministry of Local Government, Ministry of Lands and Mineral Resources, Ministry of Trade, Cooperatives, Small and Medium Enterprises must be included to integrate existing work addressing the protection of environmental, social and cultural values of Vanua Levu.

This work will inform the development of a Stakeholder Engagement Plan (SEP) for the Draft SESA and the broader policy development process.

Stakeholder Engagement Plan

The Consultant will assist MTCA and C-PMU in refining and developing the SEP for the Stage 1 (Draft SESA) and the Stage 2 (SESA finalization). This plan will meet requirements under the *Environmental and Social Management Framework* (World Bank, 2017); ES Standard 10: Stakeholder Engagement and Information Disclosure and be consistent with the Project SEF and environmental related laws of Fiji.

The SEP will:

- Identify and analyse key stakeholders that may be impacted by or have the ability to influence the policy and institutional reforms of the tourism sector, with a focus on those that are most impacted by tourism development.
- Outline a strategy and activities for consultation and information dissemination during key stages of the Draft SESA and the policy development (i.e. working group/committee meetings, consultation workshops, stakeholder meetings, site visits etc.); and provide a mechanism for inclusive on-going public consultation and feedback at the provincial level to ensure that local community concerns and aspirations pertaining to tourism development in their provinces are considered, with a focus on the concerns expressed by women, youth, elderly, the poor, people with disabilities, and other vulnerable people. In addition to focus group or stakeholder meetings, a Facebook survey could be utilised to share information and obtain initial perceptions and feedback from the broader public in Vanua Levu.

c) Situational Analysis

These exercises will build upon/contribute to the Phase I Project.

i. Institutional, Policy and Legislative Framework Analysis

The Consultancy will undertake an analysis of the institutional arrangements and policy/legislative framework governing the environmental, social, and cultural heritage aspects of the tourism sector in Vanua Levu and Taveuni. This work will supplement the broader institutional, policy and legislative analysis that will be conducted for the development of the ITMP.

The environmental, social, and cultural heritage institutional analysis will include existing and proposed institutions that may influence or be responsible for the implementation of the ITMP and provincial strategies and the management of environmental, social and cultural heritage impacts. The Consultancy will assess the existing institutional and human capacity to manage the selected environmental, social and cultural heritage priorities in the context of the political economy of the sector.

The policy and legislative analysis will include an examination of existing and proposed policies, legal instruments, and planning documents, the effectiveness of their implementation, and the challenges and opportunities this presents to the sustainable development of the tourism industry in Vanua Levu and Taveuni.

The analysis and any subsequent recommendations will be presented in such a way that an overview can be easily reflected in the ITMP.

ii. Rapid Sectoral Analysis

The Consultancy will provide an overview of tourism in Fiji broadly, and Vanua Levu and Taveuni specifically, within the context of the environmental, social, and cultural values that underpin the sector.

The Consultancy will undertake a biophysical, socio-economic and cultural heritage data gathering exercise using existing credible sources and review this data to establish a high-level baseline in each of the Vanua Levu provinces and Taveuni. The baseline will include mapping of key biophysical, socio-economic and cultural heritage features using existing GIS datasets (where

available). The Consultant will identify data gaps or weaknesses, and to the extent possible, address these through field visits and interviews and meetings with stakeholders and custodians of such data and/or provide guidance for SESA finalization in stage 2.

Based upon this, the Consultancy will use appropriate methodologies to conduct a rapid analysis of the existing and potential environmental, social, and cultural heritage issues related to the development of the tourism sector in Vanua Levu, its' three provinces, and Taveuni.

The examination of environmental, social and cultural risks and impacts will include consideration of the full range of environmental, social and cultural risks and impacts incorporated in the WB ESF. These may include (but not be limited to):

- Environmental: biodiversity, natural habitats and ecosystems (terrestrial and marine), soil, water (marine and fresh), air, solid waste, sewage, hazardous substance use and disposal, resource consumption (e.g. energy, water and construction materials), land clearance, natural hazards (incl. meteorological hazards), climate change;
- Socio-economic: livelihood/jobs/incomes, food security, land and resettlement, health and safety, education/training, vulnerable groups (i.e. the poor, people with disabilities, youth, and women), gendered considerations including prevalence of gender based violence (GBV) and SEA/SH, significant NGO or CSO organizations;
- Cultural Heritage: natural and cultural assets, intangible cultural assets, such as local knowledge and customs, and archaeological sites.

The analysis must include a rapid trend analysis of the development of the tourism sector in the short, medium and long terms and its environmental and social impacts (both sub-sector specific and cumulative). It should also include an assessment of sectoral vulnerability to climate change. The identification of likely sectoral development scenarios should be informed by the studies and analyses being undertaken for the preparation of the ITMP, provincial tourism policies, and urban development planning.

d) Identification and Assessment of Environmental, Social, and Cultural Heritage Priorities

Based on the environmental, social, cultural and institutional analyses, the Consultancy will conduct a series of consultation exercises with key national and provincial stakeholders to identify environmental, social and cultural heritage priorities for the tourism sector nationally, in the three provinces of Vanua Levu, and Taveuni.

It is envisaged that each priority will be analysed including:

- Current response
- Gaps, issues and findings
- Barriers and constraints to effective implementation (i.e., awareness/commitment, capacity/resources, access to finance etc.)
- Policy recommendations (proposed action/policy approach and expected outcome)

These priorities are expected to form the basis for the main body of the Draft SESA. Which may include but are not limited to:

- Environmental assessment and management.

- Resource efficiency (e.g., construction materials, water, and energy) including suitable sourcing, managing increased demand for natural resources, and depletion of non-renewable resources.
- Pollution prevention and control (e.g., dust, sediments, sewerage, solid waste, construction waste, noise, agrochemicals, fuel and hazardous materials management).
- Biodiversity protection/sensitive site management (e.g., land clearance, deforestation, introduction of invasive species, contaminant discharge, presence of threatened/endangered species, strengthening of protected areas, areas of critical habitats or high biodiversity, go/no go zones for development etc.) considering the ridge to reef approach.
- Natural disasters and climate change.
- Equitable benefit sharing and community development including disadvantaged and vulnerable people.
- Labour management.
- Gendered considerations, including child safety, prevalence of GBV and SEA/SH, GBV service mapping, and women's access to paid work.
- Presence and activities of NGO and CSO organizations.
- Historical, current or potential conflict mapping.
- Mapping of interest groups.
- Training and skills development.
- Land use and ownership.
- Occupational health and safety including SEA SH risks.
- Community health and safety including GBV risks, road and airport safety.
- Natural and cultural heritage sites.
- Archaeological sites
- Intangible cultural heritage.

e) Potential direct, indirect and cumulative environmental, social, and cultural heritage benefits and impacts.

The Consultancy will then assess how these priorities are likely to be influenced, positively or negatively, by the continued development of the tourism sector at the national and provincial levels. This will entail an overview of the priority; analysis of the current/proposed policy interventions, legislative and institutional response, identification of institutional, governance and policy gaps, issues, barriers and constraints, and identification of measures to address these, to maximise environmentally sustainable and climate resilient outcomes for the tourism sector.

f) Strategic Policy Recommendations

The Consultancy will propose practical recommendations, policy actions, and avoidance and/or mitigation measures to address the technical, institutional, governance and policy gaps and capacity building needs identified for each priority, with suggested timeframe and estimated costs to be incorporated into the ITMP and provincial strategies and associated action plans (e.g., go/no go zones for development based on protected or high biodiversity or cultural value areas and institutional capacity and associated capacity building needs and screening of associated facilities). The Consultancy should also identify what policy, legislation etc. updates are required

from an E&S perspective so that they can then be included in the ITMP and associated action plans. Recommendations should be prioritised, clearly indicating to whom they are addressed.

The Consultancy will propose a monitoring and evaluation process for environmental, social and cultural heritage outcomes of the ITMP and provincial strategy process under the TDPVL, including institutional arrangements and budgets.

g) Training and Capacity Building

The Consultancy will assess the training and capacity building needs of the relevant agencies, including the MTCA and its provincial counterparts and regulators, and include recommendations to strengthen their capacity.

4.3 Key Tasks – Stage Two Final SESA (3 months)

Commencement of final SESA will be coordinated with development of the draft ITMP.

a) Assessment of Draft SESA Recommendation Implementation

The Consultancy will assess the extent to which the recommendations made in the Draft SESA were addressed in the Final ITMP and other legislative and policy gap filling interventions.

b) ITMP Risk Assessment

The Consultancy will assess the environmental and social risks and impacts associated with the final ITMP and evaluate whether it offers an adequate response to the effects environmental degradation and climate change may have on the sector's performance.

c) Mitigation Recommendations

The Consultancy will propose practical mitigation measures to address the environmental and social risks and impacts associated with implementation of the final ITMP.

d) Monitoring E&S Impacts of ITMP implementation

The Consultancy will initiate the monitoring of E&S impacts resulting from the ITMP's implementation. This task includes collecting baseline E&S data and developing a monitoring program for integration into the Phase II TDPVL Project

e) Training and Capacity Building

The Consultancy will update the training and capacity building assessment needs for the relevant agencies, including the MTCA and update the capacity building and training plan.

4.4 Reporting Arrangements

The SESA Consultancy will report administratively to the C-PMU Project Manager and will work closely with the C-PMU E&S specialists (E&S Risk Management Specialist, Environmental Officer, Social Officer) or the MTCA E&S focal person if the C-PMU E&S Risk Management Specialist is not yet appointed. Technical oversight will be provided by MTCA and the ITMP Implementation Working Group (to be set up). The SESA consultancy will also collaborate with the consulting team contracted to assist in the preparation of the ITMP.

It is expected that the SESA consultancy will work closely with the MTCA C-PMU E&S specialists and attend fortnightly progress meetings. The SESA consultancy will also be required to deliver monthly progress reports detailing tasks undertaken, stakeholders' consultations, trainings and capacity building, progress towards deliverables, and identify any barriers to project progression.

A sub-committee under Project Steering Committee and World Bank task team would review deliverables under the assignment.

4.5 Expected Outcomes/Deliverables with Timelines

The consultancy for the SESA development is required to develop a budget for approval, which includes all consultancy fees, subsistence allowances, travel, accommodation and necessary incidentals. The budget should be developed to reflect the two stage process of SESA development: Stage 1 (draft SESA) and Stage 2 (Final SESA) Workshop and meetings costs will be separately covered by the MTCA.

Stage One: Draft SESA

The full assignment duration is total 14 staff-months. Stage one is anticipated to take 7 months and commence beginning of January 2024.

The Consultancy will prepare the following deliverables for the Draft SESA:

DELIVERABLES REPORTS	DESCRIPTION	TIMELINE
Inception Report	The Inception Report will include: detailed methodology and workplan; policy formulation governance arrangements, process, and timeline; stakeholder analysis and SEP, and a proposed outline (Table of Contents) of the Draft SESA. It is expected to be agreed and approved by the MTCA and the WB before commencement of Draft SESA studies.	The Inception Report is to be delivered 2 (two) weeks after contract commencement.
Review by the Client	Comments to be provided by the MTCA and the WB before commencement of Draft SESA studies.	Within 2 (two) weeks from the submission of the Inception Report
Stakeholder Workshop	Undertake workshop with key stakeholders.	Within 4 (four) weeks from the submission of the Inception Report
Interim Draft SESA Report (for consultation)	The interim Draft SESA shall include the content as indicated under 'Section 4.2'	Within 3 (three) months from the contract commencement.

	of this TOR. An emphasis shall be placed on presenting baseline information, E&S and cultural heritage priorities analysis, and providing interim findings and recommendations to inform the ongoing policy development process.	
Review by the Client	Comments to be provided by the Client and other stakeholders before commencement of validation consultations.	Within 2 (two) weeks from the submission of the interim Draft SESA Report.
Consultations with Tourism Sector and Key Stakeholder Workshop	Undertake tourism sector consultations and workshop with key stakeholders.	Within 4 (four) weeks from the submission of the interim Draft SESA Report.
Updated Draft Report	The Final Draft SESA Report will respond to comments and concerns raised by stakeholders during public participation events/validation exercises and formal written feedback from the MTCA.	Within 4 (four) months from Contract signing.
Review 2	Review of updated report	Within 2 (two) weeks after submission of the Final Document*
Updated report	Updated report to respond to review comments	Within 1 (one) week of receiving comments
Review 3		Within 2 (two) weeks after submission*
Updated report	Updated report to respond to review comments	Within 1 (one) week of receiving comments
Steering Sub-Committee Review		Within 2 (two) weeks after submission*
Final Draft SESA	Updated report to respond to review comments	Within 1 (one) week of receiving comments.

*Note that that this proposed timeline is dependent on the consultancy fully addressing WB comments at each stage of the review.

The consultancy is expected to submit a copy in electronic format of each of:

- (i) an inception report;
- (ii) interim draft SESA; and
- (iii) the final Draft SESA, to the MTCA and WB.

Stage 2: Final SESA

The second stage of the assignment is expected to take 3 staff months and commence after the finalization of the ITMP.

Based on the outcomes of stage one (Draft SESA), the consultancy will be retained and will prepare the Final SESA. The consultancy will prepare the following deliverables for the Final SESA:

DELIVERABLES / REPORTS	DESCRIPTION	TIMELINE
Interim Final SESA Report (for consultation)	The interim Final SESA shall include the content as indicated under 'Section 4.3' of this TOR.	Within 6 (six) weeks from the contract commencement.
Review by the Client	Comments to be provided by the MTCA and the WB.	Within 2 (two) weeks from the submission of the interim Final SESA Report.
Stakeholder Workshop	Undertake workshop with key stakeholders	Within 4 (four) weeks from the submission of the Inception Report
Updated Report	The Final SESA Report will respond to comments and concerns raised by key stakeholders and formal written feedback from the MTCA and the WB.	Within 3 (three) months from Contract signing.
Review 2	Review of updated report	Within 2 (two) weeks after submission of the Final Document*
Updated report	Updated report to respond to review comments	Within 1 (one) week of receiving comments
Review 3		Within 2 (two) weeks after submission*
Updated report	Updated report to respond to review comments	Within 1 (one) week of receiving comments
Steering Sub-Committee Review		Within 2 (two) weeks after submission*
Final SESA	Updated report to respond to comments	Within 1 (one) week of receiving comments.

4.6 EXPECTED KEY EXPERTS

The assignment is expected to be completed by a consulting firm who will assemble a small team to complete the Draft SESA based upon information provided in the Project Appraisal Document.

Indicative team members, skills and expertise and approximate time inputs are provided below (key staff). 14 staff months for Stage One and 3 Staff months for Stage Two

- **Team Leader / Environmental & Social Specialist (6.0 months)** with demonstrable experience in leading a strategic assessment of policy or sector planning for social, socio-economic, and / or environmental implications. Experience in the tourism industry is an advantage. This person will be responsible for liaison with MTCA C-PMU, for delivering the Draft SESA project as per the TOR, and coordinating with the ITMP team. Minimum qualification: Master's degree in environmental science, environmental economics, ecology, natural resource management, development studies, sociology or a related field. In lieu of a Master's degree, a bachelor's degree with at least 10 years' experience in Fiji will be acceptable.
- **Environmental Specialist (4.0 months)** with demonstrable experience in stakeholder engagement and strategic environmental assessment. Expertise in biodiversity and an in depth understanding of the environmental context and issues in Fiji are required. Experience in the tourism industry is an advantage. Minimum qualification: Bachelor's degree in environmental science, natural resource management, or a related field.
- **Social and/or Cultural Heritage Specialist (4.0 months)** with demonstrable experience in stakeholder engagement and strategic social assessment, and an in depth understanding of the social and cultural in Fiji. Experience in the tourism industry in Fiji are an advantage. Minimum qualification: Bachelor's degree in development studies, sociology, anthropology or a related field.
- **Gender Specialist (3.0 months)** with demonstrable experience in gender issues in Fiji. Experience in the tourism industry and SEA/SH issues in Fiji are an advantage. Minimum qualification: Bachelor's degree in sociology, gender studies, or a related field.

The Consultancy shall provide supporting personnel (non-key staff), according to the assignment overall objectives.

4.6 CLIENT AND CONSULTANT INPUTS AND RESPONSIBILITIES

CLIENT' INPUTS AND RESPONSIBILITIES

The Client will facilitate consultants to coordinate and collect all relevant reports and materials related to the Phase I Project, and specifically the ITMP development. These will include, but are not limited to;

- All relevant TDPVL Project documents including; Project Concept Note, Project ESRS, Project E&S Risk Management Documents (Environmental and Social Management Framework, Land Acquisition and Resettlement Framework, Stakeholder Engagement Framework, Labour Management Procedures, etc.)
- GOF. 2014-9. [International Visitor Surveys](#)
- GOF's [20-year National Development Plan \(2017–2036\)](#)
- GOF's [latest tourism development strategy \(Fiji Tourism 2021\)](#).
- GOF. 2020. Fiji [National Biodiversity Strategy and Action Plan \(2020-2025\)](#)
- GOF, 1992. Fiji: State of the National Environment
- iTaukei Land Trust Board's (TLTB) [Master Land Use Plan for the Greater Northern Region \(2020-2040\)](#).
- TLTB Tourism Policy (2010).
- [Fiji Tourism 2021](#) (Fijian Tourism Development Plan 2017–2023)
- [Tourism Fiji's Corporate Plan](#) (2022–2024).
- ICEM. 2022. Inception Report. Opportunities to Improve Ecosystem Resilience and Sustainable Tourism in Fiji. Prepared for The World Bank

- IFC. 2018. [From the Farm to the Tourist's Table: A Study Of Fresh Produce Demand From Fiji's Hotels And Resorts](#)
- IFC. 2019. [Assessment of the Economic Impact of Cruise Tourism in Fiji](#)
- IFC. 2020. [Fiji COVID-19 Business Survey: Tourism Focus](#)
- IFC. 2020. [Vanua Levu Tourism Market Demand Assessment](#)
- SPREP. Draft Strategic Environmental Assessment: Guidelines for the Pacific
- Savusavu town masterplan under the PEBACC Project.
- The WB is currently undertaking an assessment of needs and opportunities to improve ecosystem resilience and sustainable tourism in Fiji as part of the Pacific Oceans Advisory Program (POAP) Programmatic Advisory Services and Analysis (PASA) which will inform the Draft SESA and subsequently the ITMP. Relevant documents will be provided to the Consultancy as they are developed.

These background materials are not exhaustive and the consulting firm is expected to identify additional resources, including contacting the relevant IA's (FRA, Airports Fiji, provincial councils etc.) to identify additional sources of information and completed studies etc.

The C-PMU E&S Risk Management Specialist/E&S focal point will be the focal point for the MTCA and will facilitate the communication with all relevant actors. On behalf of MTCA, the C-PMU E&S Risk Management Specialist/E&S focal point will facilitate all the meetings required.

At the provincial level, the Tourism Offices will nominate a focal point who will be also the Liaison Officer for the Project and will facilitate the meetings with the stakeholders and community.

The MTCA will assist the Consultancy with in-country logistics, arranging stakeholder consultations and key informant meetings, identifying sources of data and other in-country support and will cover the related costs of workshops and meetings.

CONSULTANT'S INPUTS AND RESPONSIBILITIES:

The Consultancy is responsible for the following:

- Office space;
- Computer equipment and software including G.I.S mapping software;
- Accommodation for the key and non-key experts;
- International & domestic flights;
- Local transportation;
- Telecommunications;
- Printing reports, drawings, etc.;
- Communication between the headquarters and office;
- Personal protective equipment; and
- Equipment required for survey, testing, etc.

Annex A. Abbreviations and Acronyms

CBO	Community Based Organisations
CERC	Contingent Emergency Response Component
C-PMU	Central Project Management Unit
E&S	Environmental and Social
ESF	Environmental and Social Framework
FRA	Fiji Roads Authority
GBV	Gender Based Violence
GIIP	Good International Industry Practices
GOF	Government of Fiji
IA	Implementing Agency
ITMP	Integrated Tourism Master Plan
MTCA	Ministry of Tourism and Aviation
MoWE	Ministry of Waterways and Environment
MPA	Multiphase Programmatic Approach
MRMD	Ministry of Rural and Maritime Development and Disaster Management
MSME	Micro, small, and medium tourism enterprises
MTCA	Ministry of Tourism and Civil Aviation
NGO	Nongovernment Organisation
PA	Protected Area
PASA	Pacific Oceans Programmatic Advisory Services and Analysis
PA	Protected Area
PCN	Program Concept Note
PPP	Public private partnership
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SESA	Strategic Environmental, Social Assessment
SH	Sexual Harassment
TDPVL	Tourism Development Program in Vanua Levu
TLTB	iTaukei Land Trust Board
TOR	Terms of Reference
TLTB	iTaukei Land Trust Board
UNESCO	United Nations Educational Scientific and Cultural Organization
WAF	Water Authority Fiji
WB	World Bank

Annex B. Detailed Description of Project Activities

Phase I of the MPA (the Project) will focus on setting the foundational framework for sustainable tourism in Vanua Levu and implementing selective demonstration programs. It will include three integrated components, each of which targets a key constraint to unlocking tourism potential in Vanua Levu. It will support resilient and sustainable tourism development in Vanua Levu through integrated destination development, enhanced connectivity and essential services infrastructure, and improved biodiversity and natural resource management. The Project provides an organizing framework to help address coordination failures between MTCA and other line ministries and agencies engaged in different aspects of tourism in Vanua Levu, and mobilize their resources towards common objectives anchored in an Integrated Tourism Master Plan (ITMP). The preparation of the plan, together with strong project management support, will help align existing government programs for roads; basic services; private sector, tourism, and skills development; and the business environment for better results in tourism destinations. Investments have been prioritized in consultations with Government, the private sector, and community stakeholders, and are expected to collectively increase destination competitiveness, contribute to attracting more high-value tourists to Vanua Levu, increase enterprise revenues from tourism, support more tourism employment, and ensure women are actively engaged in all activities. The Project will benefit the local economy through community-based tourism and private sector development. The three components of the Project are described in the paragraphs below.

Component 1. Overcoming Barriers and Developing Sustainable Tourism (US\$12.45 million).

The investments under this component are essential to sustainable and resilient destination development in Vanua Levu and will set the foundation for long-term tourism growth. The component will focus on: (a) integrated tourism master planning and destination management and coordination; (b) tourism MSME recovery, expansion, and skills development to increase market-driven tourism products and services; (c) natural resource management and biodiversity conservation to protect tourism's underlying assets; and (d) emergency management and preparedness for tourism. *MTCA is the Implementing Agency (IA) for this component and will coordinate with technical partners through Service Agreements, including: Tourism Fiji (1a), Ministry of Trade, Co-operatives, Small and Medium Enterprises (MTCSME) (1b), National Trust of Fiji (1b), Department of Environment (1c), Ministry of Forestry (1c), Ministry of Fisheries (1c), and the Ministry of Rural and Maritime Development and Disaster Management (MRMD) (1d).*

Subcomponent 1a) Integrated Tourism Master Planning and Destination Development

This subcomponent will bring together the numerous existing plans for development in the Northern Province to create a framework for sustainable tourism growth, destination management, and promotion in Vanua Levu. The success of the proposed investments in infrastructure, services, and technical assistance for Vanua Levu will require robust tourism development planning, including spatial planning and industry development planning, taking other economic opportunities and sectors into consideration. It will also require effective coordination mechanisms for the ongoing management of tourism with whole-of-government cooperation at all levels. The Integrated Tourism Master Plan (ITMP) will be underpinned by public-private consultations to create a shared vision and guiding principles for the industry, as well as solid and data-driven growth projections and development scenarios. To take advantage of economies of scale, the ITMP will include both Vanua Levu and Taveuni. A cohesive and comprehensive

climate resilient ITMP will lead to a reduced carbon footprint from tourism and mitigated climate change impacts.

The preparation of ITMP will support integrated tourism destination planning. The project will finance technical assistance to develop the ITMP and build capacity of the GoF. The ITMP process will bring together the numerous existing plans for development in the Northern Province to create a framework for sustainable tourism growth, destination management, and promotion, and will mainstream gender and climate change considerations. The ITMP consists of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years) and detailed development plans (with a planning horizon of 5 years) for existing and future key tourism areas within the tourism destination. The plans will be based on the Vanua Levu Market Demand Assessment (currently being updated by IFC to include some baseline data on Taveuni) and economic analysis for each destination will be prepared in close consultation with all stakeholders, including local communities and the private sector. The ITMP will include forecasted tourist arrival and population growth data to inform future investment in infrastructure for essential service and air and road connectivity. They will provide the basis for the development of tourism facilities and supporting infrastructure that: (a) is consistent with the environmental, social, and cultural opportunities and constraints of the destinations; and (b) avoids degradation of the natural and cultural assets that attract visitors. As such, they will include a detailed appraisal of key risks to destination development (economic, social, environmental, and cultural), including natural disaster risks, as well as possible mitigation measures. The ITMP will link with other policies and essential service plans, such as the WAF Plan for potable water and wastewater management. Specifically, the ITMP will:

- Examine the existing policy, institutional and development plans including investment and workforce planning that exist for the Northern Division and tourism and identify consistencies, conflicts and gaps;
- Outline essential service and transport investments, private sector investment, institutional, policy, destination branding and awareness, and workforce development strategies and community development needs and plans; articulate environmental, social, economic, and cultural heritage opportunities and constraints; identify last mile ICT needs and identify potential private sector solutions; and coordinate investment pipelines and planning.
- Provide detailed geo-spatial planning that lays out geographic areas for different types of investments required to stimulate and cater to increased tourism demand.
- Identify existing and planned private sector investment and create a mechanism to coordinate investment pipelines and planning (in coordination with IFC² and Investment Fiji) and anticipate targets for needed private sector investment.

² IFC is currently working with MTCA, Investment Fiji, and Tourism Fiji to identify and scope land for potential tourism investments, including detailed environmental, social, and gender assessments to vet them for promotion as potential tourism investment.

- Provide detailed town plans for Savusavu and Labasa, including traffic management and drainage plans, proposed investments including integrating with the Blue Town Concept in Savusavu, and investments needed for improved livability for the local populations.
- Identify policy gaps and priority reforms, such as zoning and building codes, the Hotel Act, and tourism-related licensing and certification implementation.³ Zoning and building reforms can be implemented in Vanua Levu through a regulatory sandbox approach, to pilot and then expand to the rest of the country.
- Be climate informed and consider potential impacts of climate change in Vanua Levu and the implications for the tourism sector. Climate risks will be assessed, and climate resilient designs will be integrated into the zoning and building reforms.
- Integrate gender equality considerations throughout, including addressing risks of gender-based violence and sexual harassment and exploitation.
- Mitigate the risk of uncontrolled and unsustainable development that would undermine the destination's appeal and negatively impact the host community.
- Include a concrete action plan detailing implementation timelines, sequencing, responsible agencies, costs, and funding sources.

A Strategic Environmental and Social Assessment (SESA) will be prepared to systematically examine the environmental and social risks and impacts that could be generated by implementing the ITMP. It will cover both Vanua Levu and Taveuni. The SESA will be prepared in two stages. A draft SESA will be prepared prior to the development of the draft master plan to inform its development. The final SESA will be prepared to assess the environmental and social risks associated with the final ITMP.

Implementing the ITMP will require strong destination management, coordination among the numerous destination stakeholders, and enhanced local government service provision. This subcomponent will also support implementation of the ITMP by developing a coordination and sustainable financing mechanism to guide and fund destination management and development in Vanua Levu. This coordination mechanism will allow close cooperation between the MTCA, Tourism Fiji, Savusavu Tourism Association, town councils, and other agencies to ensure a coordinated approach to destination development, management, and awareness raising, and government service provision. This subcomponent will enhance coordination in the fragmented sector through the creation of formal public-private dialogues (PPD). The PPD will build upon and institutionalize the stakeholder engagement plan and industry consultations required for the masterplan. It will also build on coordination mechanisms already in place. The destination coordination mechanism will be based on the outcome of the PPDs and the ITMP, as well as lessons learned from other World Bank Projects (for example, the Georgia Regional Development Project P126033 that successfully launched a regional destination management organization). Two potential models are a public private destination management organization or strengthening the Savusavu Tourism Association. This will be done in partnership with key stakeholders Tourism

³ There may be opportunities to accelerate some of these reforms through parallel Development Policy Operations in Fiji.

Fiji and the private sector. MTCA will implement this subcomponent. Results could be replicated in Taveuni separately by MTCA.

Finally, raising the awareness of Vanua Levu as a high-value, nature- and culture-based tourism destination will require improved branding and promotion. The ITMP will set a vision for the promotion of Vanua Levu and its key tourism destinations based on the PPD and baseline assessment of tourism products and experience. This will include the creation and implementation of a strategic marketing plan and brand targeted on high value tourists and evaluated through an integrated mechanism to measure return on investment. Historically, international promotion of Fiji has focused on attracting regional source markets, that tend to book through wholesalers, to well-developed destinations in Western Fiji. To diversify Fiji's tourism markets, new promotion methods are needed to attract higher-value long-haul markets that tend to book travel independently (versus through outbound tour operators or travel agents) and seek uniquely positioned destinations. Currently an information asymmetry exists between these potential visitors and tourism service providers in Vanua Levu, limiting visitor awareness of the destination and its products and services.

Subcomponent 1b) Tourism MSME Recovery, Expansion and Skills Development

Given the dominance of MSMEs in the tourism private sector and the lingering impacts of COVID-19, support for MSME long-term recovery and expansion is needed to create high-quality visitor experiences and facilitate community benefits from tourism. The objective of this subcomponent is to strengthen private sector, community-businesses and women-owned businesses in the tourism sector, enabling these groups to compete with higher value-added experiences and services including for the market segments being targeted with the ITMP. MSMEs dominate the tourism private sector both nationally and in Vanua Levu and are the key providers of tourism activities and services. The lingering impacts of COVID-19, along with critical market failures and a cumbersome enabling environment, are limiting market-driven product development innovation and quality service provision in Vanua Levu. Information asymmetries and coordination issues are the most common market failures impacting tourism MSMEs.⁴ In Vanua Levu, accommodation providers and cruise companies also present challenges as they currently control access to tourists and therefore hold market power, especially in light of limited marketing efforts by MSMEs. To address these issues, MTCA will design and launch a pilot tourism MSME development approach in Phase I, working with MTC SME and other relevant agencies, such as the iTaukei Trust Fund Board (TTFB) and TLTB

The MSME pilot intervention will enhance both private enterprises and community businesses, as communities are the dominant owners of the natural and cultural assets that attract tourists to Vanua Levu. In addition to general market failures, community businesses face additional challenges in accessing quality business development services (BDS) and business decision-making (given the family or community ownership structures of these businesses). This is important as communities own most tourism assets but do not have the skills to establish community tourism businesses and create formalized tourism products, thus limiting their benefit from the sector. Community business development will be underpinned by feasibility studies and business plans along with market access support to help develop equitable relationships with tour

⁴ This includes limited information about market trends, demand, investment opportunities and processes, and regulatory requirements, and a lower ability to coordinate amongst themselves to access and attract markets.

operators and accommodation providers to manage long-term sustainable operations and stimulate private sector investments. For sectors such as cultural industries, where women represent more workers, technical assistance in product design, skills development, and access to raw materials⁵ will be supported.

The Project will begin by financing the development of the pilot intervention to provide businesses and communities access to business advisory services, based on global best practices and local lessons learned from MTC SME's past successes. The approach will be designed on best practices and lessons learned from previous World Bank projects and will leverage and expand upon MTC SME's existing Integrated Human Resources Development Program, deepening its integration of specialized capacity building, skills development, and market access links. To integrate these lessons learned with current industry needs and to fully understand and quantify the above-described market failures the Project will begin with an in-depth enterprise survey and BDS provider mapping and assessment including a community-based assessment of barriers to women's economic empowerment. The assessment will identify and vet potential business advisory service providers in Fiji including those in Vanua Levu, Taveuni and in Viti Levu. The specific services that will be included in the Program will be defined in consultation with stakeholders and are expected to range from business and financial management (e.g., business plan development, financial management, investment planning, human resource planning) to technical skills needed specifically in the tourism industry (e.g., marketing, guide training, culinary menu design, food safety certification, design advisors for handcraft cooperatives). These analytics will help identify the structural issues that need to be addressed in the market and identify interventions that will not distort the market.

The overarching pilot design will focus on a competitive process that supports viable enterprises to improve skills and firm capabilities critical for innovation and productivity in order to increase overall economic growth in Vanua Levu and Taveuni. While the detailed pilot design will be included in a MSME Operational Manual, the overarching approach will incorporate best practices. The pilot design will focus on a competitive process to enhance skills and firm capabilities, promoting innovation and productivity for economic growth in Vanua Levu and Taveuni. The pilot will emphasize awareness-raising workshops for MSMEs and communities, finance BDS resources, and provide training on business plan creation. It will foster a competitive BDS market, with a database of providers and a rating system. MSMEs will contribute to the cost of advisory services, and proposals will be assessed based on criteria such as feasibility and demand. The pilot will also include evaluation measures for assessing supported and non-supported enterprises.

The pilot will have three streams: private MSMEs, community-based tourism businesses, and women's community enterprises. Each stream will receive tailored support based on their specific needs. Private MSMEs will have access to pre-approved and vetted BDS providers, with negotiated agreements and cost-sharing arrangements. Community-based tourism enterprises will focus on capacity building, infrastructure development, and fostering partnerships with the private sector. Women's community enterprises will focus on cultural industries, receiving support in business skills, market-driven product design, and addressing gender-specific challenges. Cohort trainings for all MSMEs will enhance networking, market access, and specialized skills

⁵ For example, through providing technical assistance to build collective purchasing systems and capacity for order-advance negotiations.

development. These activities will be implemented in collaboration with local associations and the private sector, with a focus on women, climate resilience, and sustainability practices.

In parallel to MSME development, the Project will invest in expanding proven tourism products in protected areas, engaging the private sector to promote quality and financial sustainability. Parallel to MSME development, the Project will invest in expanding proven tourism products in protected areas, focusing on the Waisali Rainforest Reserve in Vanua Levu. The reserve, managed by the National Trust of Fiji, has untapped tourism potential.

The Project will support the rehabilitation and expansion of trails, interpretation, and the development of a visitor center. Private sector input will be sought to ensure the design meets market preferences and climate-resilient standards. The aim is to enhance infrastructure, management capabilities, and the long-term resilience of the forest ecosystem. The project will also support enhancing management capacity for the reserve through the provision of technical and advisory services, which may involve a PPP or joint venture model with an established tourism operator. The Project will provide technical assistance in the form of advisory services in order to assist the National Trust [in a competitive tender process to select a suitable partner, determine benefit sharing, investment, and maintenance mechanisms]. This initiative will benefit local communities by strengthening the Reserve's capacity to provide climate change adaptation and mitigation ecosystem services.

This subcomponent will also be implemented by MTCA and specifically require operational synergy through service agreements with technical partners, MTCSME, and the National Trust. MTCSME will be involved in the MSME development activities and National Trust in the rehabilitation and expansion of Waisali Forest Reserve.

Subcomponent 1c) Natural Resource Management Strengthening and Biodiversity Conservation

For sustainable and high-value tourism to succeed in the long term in Vanua Levu, its natural resources and biodiversity must be protected. This requires long-term protection with a ridge-to-reef management framework. The management and regulation of Fiji's protected areas (PAs) is highly fragmented. Its 42 formally protected areas are divided into 11 different types, managed by 5 separate government entities,⁶ and governed by 26 separate pieces of legislation. The lack of harmonization, in addition to limited financial resources, has hampered Fiji's biodiversity conservation efforts. Most PAs do not have management plans. In 2010, Fiji made a commitment to protect 30 percent of marine and 17 percent of terrestrial areas by 2020 as part of the Aichi Targets.⁷ The Project will support the development of PA management plans and will initiate key management activities supporting conservation and use of the resources such that, activities will include resource management planning, management approach i.e., traditional versus modern to be used, the expansion of locally managed marine areas (LMMA),⁸ and strengthened policy,

⁶ Government of Fiji, 2017

⁷ Mangubhai, S. et al, 2019. Aichi Targets are under the Convention on Biological Diversity.
<https://www.cbd.int/sp/targets/>

⁸ The Fiji Locally Managed Marine Area (FLMMA) network consists of members representing village communities, research institutes, and non-profit organizations, convened to share information and ideas about conserving ocean life and engaging communities in decisions about resource management. <https://www.itaukeiaffairs.gov.fj/index.php/divisions/development->

monitoring, and enforcement for marine and terrestrial protected areas. The activities to be funded under this component will be led by MTCA in coordination with technical partners, Department of Environment, and the Ministry of Forestry and Fisheries.

Subcomponent 1c will support addressing climate change issues by improving the capacity of communities to effectively manage and maintain the sustainability of locally managed marine areas (LMMA)⁹ within their locale. In addition, the food security, livelihood, and biodiversity outcomes of most concern due to climate change can be mitigated to a great degree through the implementation of a climate-adaptive natural resource management approach for the LMMA. LMMA encourage the sustainable use and development of natural resources and ecological processes. The objective is to ensure that degradation does not occur, and communities dependent on these resources are provided with a healthy ecosystem that supports and can sustain their food security and livelihood. The activities that will be financed through the subcomponent include technical assistance for the expansion of LMMA, development of protected area management plans to manage the LMMA, and strengthened policy, monitoring, and enforcement for protected areas. The Project will also finance stakeholder consultation, awareness raising for communities, non-governmental organizations (NGOs), and tourism operators about the need for and benefits from environmental conservation, and strategies to achieve it, for marine and terrestrial natural resources. Just transition principles¹⁰ will need to be considered to mitigate livelihood and/or cultural impacts on local communities; community benefits and possible employment in conservation activities will be explored. By strengthening and incorporating natural resource management and biodiversity conservation, the Project aims to protect and restore ecosystems providing crucial services, such as coastal protection and carbon sequestration, leading to reduced vulnerability to climate change impacts and natural disasters. For communities who express interest in developing LMMAs, technical assistance can be provided to help explore instruments, advise on the structuring of agreements, and help develop monitoring frameworks.

In relation to terrestrial areas, this project will also provide an opportunity for Fiji to develop and trial a new approach from the International Union for Conservation of Nature (IUCN) and Convention on Biological Diversity (CBD)—to achieve conservation through ‘Other effective area-based conservation measures’ (OECMs).¹¹ The OECMs aim to achieve long-term and effective in situ conservation of biodiversity outside of protected areas. In 2018, Parties to the CBD agreed on guiding principles, common characteristics, and criteria for the identification of OECMs (CBD Decision 14/8). An OECM is defined by the CBD as: “a geographically defined area other than a

services-division/fiji-locally-managed-marine-areas#:~:text=The%20Fiji%20Locally%20Managed%20Marine,in%20decisions%20about%20resource%20management.

⁹ The Fiji Locally Managed Marine Area (FLMMA) network consists of members representing village communities, research institutes, and non-profit organizations, convened to share information and ideas about conserving ocean life and engaging communities in decisions about resource management. <https://www.itaukeiaffairs.gov.fj/index.php/divisions/development-services-division/fiji-locally-managed-marine-areas#:~:text=The%20Fiji%20Locally%20Managed%20Marine,in%20decisions%20about%20resource%20management>.

¹⁰ A Just Transition involves maximizing the social and economic opportunities of climate action, while minimizing and carefully managing any challenges.

¹¹ <https://www.iucn.org/our-union/commissions/group/iucn-wcpa-other-effective-area-based-conservation-measures-specialist>

Protected Area, which is governed and managed in ways that achieve positive and sustained long term outcomes for the in-situ conservation of biodiversity, with associated ecosystem functions and services and, where applicable, cultural, spiritual, socioeconomic, and other locally relevant values”¹².

Identification of OECMs offers a significant opportunity to increase recognition and support for de facto effective long-term conservation that is taking place outside currently designated protected areas under a range of governance and management regimes, implemented by a diverse set of actors, including Indigenous peoples and local communities, the private sector, and government agencies.

The creation of a United Nations Educational, Scientific, and Cultural Organization (UNESCO) Biosphere Reserve could help protect and promote Natewa Bay and Peninsula’s extraordinary biodiversity. ¹³ UNESCO’s program helps conserve biodiversity under a flexible framework that encourages innovative approaches for sustainable economic activity within the reserves. There are currently 701 UNESCO Biosphere Reserves spread across 124 countries, but none exist in Fiji. The program encourages the exchange of conservation and livelihood best practices across its network.¹⁴ It also provides international recognition that can better position the destination in key market segments (such as scuba divers and soft adventure and nature enthusiasts). Natewa Bay and Peninsula would garner interest from UNESCO, given its unique terrestrial and marine ecosystems. The Project will support the application process and access to the required technical expertise in partnership with the National Commission for UNESCO (housed within the Ministry of iTaukei Affairs, Culture, Heritage and Arts).¹⁵ The implementing agency for this activity is the MTCA in coordination with technical partner, the Department of Environment.

Subcomponent 1d) Emergency Management and Preparedness for Tourism

This component will help Fiji, specifically the island of Vanua Levu, improve climate resilience and disaster preparedness, contingency planning, and recovery for a safer and more competitive tourism sector. Around the world, tourist destinations with well-crafted and tested crisis management strategies are better able to respond and recover from climate-induced disasters and project a sense of security that attracts tourists. Investments will be based on the World Bank’s Emergency Preparedness and Response (EP&R) Program, which includes a series of well-established tools to assess and design comprehensive system improvements, including the Lessons Learned Exercise and the Ready2Respond diagnostic. The Project will support the Vanua Levu tourism ecosystem and government agencies, in close coordination with civil society and national government agencies, to develop a climate emergency management system and contingency planning. A long list of activities will be considered as part of project preparation for a prioritization exercise with the Government and stakeholders. These may include: (i) development of tourism-specific EP&R plan with contingency plans for subsectors (for example, accommodation, transport, tour operators) and/or developing early warning systems, safety and security systems along with capacity building for businesses and stakeholders; (ii) facilities and

¹² <https://www.cbd.int/doc/decisions/cop-14/cop-14-dec-08-en.pdf>

¹³ UNESCO Biosphere Reserve program helps conserve biodiversity under a flexible framework that encourages innovative approaches for sustainable economic activity within the reserves.

¹⁴ <https://en.unesco.org/biosphere>

¹⁵ Additionally, it is recommended that provisions for the creation of a UNESCO Biosphere Reserve be incorporated into the draft Heritage Bill, which will soon be posted for public consultation.

equipment for combined pandemic/ extreme weather early warning, emergency preparedness and management (e.g. weather monitoring equipment); and (iii) development of an emergency and crisis communications plan, including an information management system, and multi-hazard early warning system for tourism operators and visitors. MTCA will lead the implementation of this activity with technical assistance provided by MRMD.

Component 2. Building Resilient Tourism Infrastructure (US\$40.05 million)

The investments under this component address key barriers to tourism access and essential service provision in Vanua Levu. The component will focus on: (a) investments in improving existing air connectivity infrastructure and services; (b) essential facilities upgrades and investments required for local population services and natural resource protection to meet urgent needs and resilience standards; and (c) cityscape improvement of key tourism hubs in Vanua Levu through interim and permanent interventions. The Project will finance planning and direct investments in all three areas, which will be expanded during future program phases. Phase I will give immediate attention to urgent infrastructure and essential service gaps that benefit the local population and increasing Vanua Levu's capacity to sustainably accommodate a growing number of tourists. All new and upgraded infrastructure will be designed considering the specific needs of women; women will be targeted in engagement process to ensure their perspectives are incorporated. *The component will be overseen by MTCA and implemented by Airports Fiji Limited (2a), and Fiji Roads Authority (2a, 2c) with technical partners and STC (2b, 2c), LTC (2c), Department of Environment (2b), Water Authority of Fiji (2b) and Energy Limited Fiji (2b).*

Subcomponent 2a) Connectivity Investments

Connectivity to and around Vanua Levu has been noted as a binding constraint to sustainable tourism development by the government, the private sector, and potential investors. This subcomponent will address the critical issue of connectivity to and around Vanua Levu, which has been a binding constraint on the island's tourism and investment potential. The limited convenient, regular, affordable, and quality air and sea access to Vanua Levu has inhibited investment on the island, with investments in tourism lagging behind those on the mainland. Vanua Levu currently has two domestic airports with direct flights connecting from Nadi (the tourism hub) and Suva (the business hub). Both airports have infrastructure challenges that impact flight safety and frequency, and impose limits on aircraft payload and operating hours. Labasa Domestic Airport, close to Labasa's divisional capital and business hub on Vanua Levu, services mostly domestic and business travelers and can receive ATR 72s with weight restrictions. Air capacity and flight services to Labasa are limited by the length of the runway, limited low visibility operations due to a nearby hill, and the lack of automated weather reporting systems. AFL has also reported issues with the stability of the land with a creek eroding land 60 meters from runway 31 and regular flooding of the access road. Savusavu Domestic Airport services mostly international leisure tourists and residents and can only receive Bandeirantes and Twin Otters with significant weight restrictions. Currently, both airports lack real time weather reporting, which can result in plane reroute, circling the airport in air, and even return to the departure airport due to unreported bad weather conditions.

The subcomponent will finance investments in airport infrastructure upgrades, airport safety compliance, and air connectivity infrastructure. The Project will support improving the service quality and safety of both the Savusavu and Labasa domestic airports with a focus on climate resilience reinforcement. Specifically, the Project will finance investments in the design,

supervision and construction of airport improvements. Additionally, the Project will invest in the design, supervision and construction of passenger terminal upgrades in Savusavu to enhance security and convenience for passengers by separating and expanding processing functions, with designated spaces for check-in, security screening, baggage handling, waiting, and boarding. To create a more cohesive and attractive travel experience for visitors, the terminal designs will incorporate local elements to reinforce each destination's unique character and cultural appeal. The focus on climate resilience reinforcement is elaborated below:

- Repairing and retrofitting the airports' drainage systems to resilience standards will significantly enhance the airports' adaptive capacity to cope with extreme weather events caused by climate change. The improved drainage systems will effectively manage excess water from heavy precipitation events, reducing flood risk and associated damage to airport infrastructure. These measures will therefore enable continuity of airport operations during and after extreme weather events, adapting the airport to an environment increasingly affected by climate change.
- Applying an asphalt overlay to the runway according to climate-informed design standards will increase the resilience of the runway to the impacts of rising temperatures. This adaptation measure will increase the runways' durability and safety under higher temperatures, reducing maintenance requirements and potential disruptions to airport operations.
- Upgrading the PC and equipment in the weather offices will enhance the accuracy and reliability of weather forecasting, enabling the airport to proactively manage the risks posed by extreme weather events. Accurate weather prediction is vital in adapting to climate change, as it allows for effective planning and response to severe weather conditions. This will ensure safe and efficient airport operations even in the face of increasing climate variability and extreme weather events.

Based on the results of the pre-Project TA supported air connectivity options study, the Project will invest in a feasibility study for a new greenfield domestic or international airport or the expansion of the Labasa Domestic Airport. Building on the pre-Project TA analyzing air access, the feasibility study is expected to assess technical, financial, market, and operational perspectives. The approaches undertaken will consider the competitive advantage of Vanua Levu's tourism sector and its tourism growth projection, assess climate vulnerability as well as social and environmental risks, and emphasize private sector engagement. The study will also explore options for improving air fare structures, strengthening Fiji Airways' and Northern Air's online booking platform, and routing. These efforts aim to make air travel more affordable, accessible, and convenient for travelers, particularly those traveling to and from Vanua Levu.

The Cross Island Road linking Labasa and Savusavu is the island's most traveled road but underdeveloped. The subcomponent will also support the upgrade of the Cross Island Road linking Labasa and Savusavu into a safer, more resilient, scenic road. Currently, it is the island's most traveled road but underdeveloped. Although the 95-kilometer sealed road has a good pavement condition, further improvement is needed to make it part of the tourism offer and help promote connectivity between the two major towns in Vanua Levu in a safe, resilient, and efficient manner. For the tourists who arrive or depart via Labasa, the Cross Island Road is their first and last impression of Vanua Levu, so the quality of the road trip experience is important for satisfaction levels. This can positively influence Vanua Levu's reputation as a safe quality

destination. This road can be developed into a scenic link with proper lookouts, rest stops, and navigation signs directing road users to the nearby tourist attractions (such as the Waisali Rainforest Reserve supported under component 1b). The Project will finance the design, supervision and construction of scenic road development that involves small infrastructure, such as proper lookouts, rest stops, and navigation and informational signs directing road users to the nearby tourist attractions as well as investments to improved transport services infrastructure on the link road (e.g., bus stops).

Despite its current condition the road remains vulnerable to climate change. Incorporating climate-resilient design standards in the development and maintenance of the road infrastructure can extend its lifespan, minimize disruptions, and decrease expenses associated with repairs and replacements due to climate-induced damages. Slope stabilization measures along critical sections of the road work to address current vulnerability to, and future risks from, rainfall-induced landslides, coastal inundation and cyclone-induced storm surges. Reaches of the road in proximity to the coast, along the Urata area, are vulnerable to inundation and erosion from cyclones, storm surges and sea level rise. With cyclones anticipated to increase in intensity and sea levels projected to rise by 0.64 to 1.16 meters by 2100 under the SSP5-8.5, the impacts of coastal erosion, flooding, and saltwater intrusion are expected to be exacerbated. Proposed interventions to strengthen the resilience of the Cross Island Road are restricted to the existing road corridor. The measures include:

- Construction or improvements to drainage to resilience standards (kerbs and channels) along the entire corridor will reduce the impact of heavy precipitation events along the Cross Island Road. These enhancements will facilitate efficient surface water flow, reducing the risk of flooding and subsequent road damage, thereby promoting safer and more reliable transportation routes under changing climate conditions.
- Construction of approximately 850m of rubble mound revetment will serve as a robust defensive measure against the anticipated threats of sea level rise, coastal flooding, and cyclone-induced surges. This infrastructure will act as a buffer, protecting the Cross Island Road and nearby communities from the impacts of these climate-related hazards.
- Korosomo Landslip mitigation include the construction of V-drains, subsoil and rubble drainage and shotcrete and gabion basket soil stabilization structure. These measures will provide a robust solution for stabilizing the soil and managing surface and sub-surface water flow, thereby reducing the likelihood of road blockages and infrastructure damage due to rainfall-induced landslides. These activities are designed enhance the safety of road users and the reliability of the Cross Island Road amidst the anticipated increase in rainfall intensity due to climate change.

Civil works are also required to enhance the functionality and safety of the road, and its resilience during extreme weather events, including installing road safety barriers, more roadside lights, signs and raised reflective pavement markers (RRPMs); and constructing passing lanes and runaway truck ramps.

This subcomponent will also include provision of technical assistance to establish a climate-informed road accident database. The impacts of climate change and severe weather events can and have had negative outcomes for road safety. Establishing a road accident database will allow

for the recording and analysis of all road accident data, thereby enabling an evaluation of factors contributing to the crashes.

Subcomponent 2b) Resilient essential services investments

This subcomponent will support funding no-regret investments in essential facilities and services in tourism hotspots in Vanua Levu. Investment in essential facilities and services is crucial for Vanua Levu's development, not only to sustain its current and future tourism demand but for the well-being of the host population and environment. Failure to make the necessary investments in these services will undermine the island's environmental credentials and appeal, and lose the opportunity to attract high-value, environmentally conscious visitors. Initial essential facilities and services identified and prioritized through stakeholder consultations and various assessments are presented below. A pre-Project TA¹⁶ is currently assessing the scope, preliminary design, and costs for these investments. The TA will also assess climate risks and impacts and develop options for building climate resilience for the proposed investments.

Develop a new solid waste management facility for Savusavu and rehabilitate the existing Savusavu dump site. Solid waste management infrastructure in Vanua Levu is not sufficient for the current demand (33,000 tonnes per year). This poses a threat to the environment and the island's potential for tourism growth. The existing Savusavu dump has surpassed its capacity and, without adequate infrastructure, leachate and other waste is seeping into the adjacent mangroves. This poses a threat to the marine habitat that underpins the island's potential for tourism growth. The STC has identified a site for the new solid waste management facility and is in final negotiations with TLTB. The new site was selected by the Council on the basis that it is not located within proximity to the coast, a watercourse/river, or developed areas. A sanitary landfill with a capacity of 30,000 cubic meters with a nominal lifetime of 10 years is being considered. The landfill will require the development of approximately an access road and other site development works, including security control, check points, a weigh bridge, stormwater management, and underground utilities.¹⁷ A leachate management system is proposed because under current climate conditions, Fiji experiences 250–400 mm of rainfall per month during the rainy season and 80–150 mm per month during the dry season. With a projected increase in the intensity of rainfall events under future climate projections, strategically locating new waste management facilities outside of the 100-year flood level, away from main water sources and incorporating stormwater management measures can address the impacts of heavy precipitation events, in particular, leachate runoff. Measures are likely to include a landfill lining and containment basin for storing and treating leachate. Under this activity, provisions are also proposed for rehabilitating the existing Savusavu dump site. Rehabilitation measures are likely to comprise waste reprofiling, capping, revegetation, and installing infrastructure to manage runoff from the rehabilitated site. There will also be waste separation awareness campaigns for local communities and composting organic waste will be promoted. The focus on climate resilience reinforcement is elaborated below:

- A leachate management system is proposed because under current climate conditions, Fiji experiences 250–400 mm of rainfall per month during the rainy

¹⁶ "Identification and Assessment of Climate Resilient Essential Facilities and Services for Vanua Levu" funded by PPIAF.

¹⁷ Constructing the channels for underground utilities are typically supported by FRA when conducting new road development. This activity will be coordinated with them as technical partners.

season and 80–150 mm per month during the dry season. With a projected increase in the intensity of rainfall events under future climate projections, installation of liner reinforcement system and leachate collection system including leachate pond will substantially mitigate the environmental risks associated with increased flood risk and surface runoff from heavier precipitation events. These measures will reduce the likelihood of harmful leachate infiltrating surrounding soil and water bodies, thereby protecting ecosystems and human health under changing climate conditions.

- Construction of embankment and drainage ditches surrounding disposal cells with stable side slope will enhance the facility's resilience to flooding and waterlogged conditions. These measures are designed to reduce the likelihood of stormwater surface runoff from entering the disposal cells, thereby reducing leachate generation. This ensures the efficient functioning of the waste management system amidst climate variability.

Develop feasibility study for wastewater management infrastructure and systems in Savusavu, including a small-scale pilot of a sewerage treatment facility in Savusavu. Currently all households and businesses use septic systems. Solutions have been identified by the WAF, including a full upgrade of the sewerage and treatment system in Labasa and the installation of a sewerage system in Savusavu. Both are important, the latter being more urgent because of environmental pollution already being detected in places, such as Savusavu Bay. The Project will support the feasibility study for a wastewater management system in Savusavu with climate considerations incorporated in the design and piloting a few decentralized sewerage treatment facilities with household connections, learning from best practice in the region. The sewerage treatment pilots will choose the most appropriate treatment techniques suited to the local climate. One of the possible techniques is the bio-trickling filter, which is one of the least-cost techniques. Such filters are easy to operate without the need for high operational competency and have been tested in a WB-financed project.¹⁸ That project showed that the bio-trickling filter technique requires only one third of the land compared to an artificially constructed wetland. The bio-trickling filter schemes also proved to be environmentally friendly and climate resilient, as they require less energy. The impact of climate change on wastewater treatment performances will be analyzed, as both heavy rainfall and high temperature can affect the Biological Oxygen Demand (BOD) level in the wastewater and the performance of the microorganisms in the biological treatment process. The study includes an impact analysis to assess the potential impacts of climate change on the proposed wastewater treatment performance. The findings from the feasibility study and learning from the pilot program will guide climate-informed investments in the next phase of the MPA program.

Support the WAF in formulating its “Water Sector 2050 Strategy”, which will investigate options for a circular economy, lay out its water supply and sanitation investment plans in Vanua Levu, and promote cross-sector coordination between water, energy, and urban development, strengthening the resilience of water supply and distribution networks to climate hazards (droughts and flooding), increasing and sustaining access to clean water for tourists and local communities.

¹⁸ World Bank, Zhejiang Rural Water Supply and Sanitation Project (P133018)

Support rooftop solar, targeting public buildings, such as the municipal council buildings in Labasa and Savusavu, and the Savusavu market (under construction). The municipal councils in Vanua Levu have expressed their vision to be among the first public bodies in Fiji to go solar. EFL has recently prepared a rooftop solar policy covering technical aspects and the proposed scheme may benefit from net metering arrangements. The Department of Energy, through the draft National Energy Policy, encourages increased uptake of rooftop solar to promote sustainable energy transition by end users. In parallel, through technical partnership with EFL, the Project will support a bankable feasibility study into harnessing Vanua Levu's abundant renewable energy—solar, wind, hydropower, biomass, and geothermal—and possible expansion of the distribution network. Investing in adaptive energy infrastructure, such as microgrids and distributed renewable energy systems, reduces the vulnerability of power supply systems to climate hazards—hurricanes and other extreme weather events—providing reliable access to electricity, decreasing reliance on fossil fuels, and reducing impacts of supply chain disruptions.

The findings from these feasibility studies conducted in Phase I—including those for a greenfield airport in Vanua Levu, wastewater management infrastructure and systems in Savusavu, and renewable energy development options in Vanua Levu—will provide rigorous analytical underpinning to help define investment scope and priorities in Phase II.

Subcomponent 2c) Cityscape Improvement of Savusavu and Labasa

The functionality and attractiveness of Savusavu and Labasa are important both for the local population and their visitors' satisfaction, warranting public investment to improve the streetscapes and facilities. The nature and scale of improvements will be further defined through the proposed Integrated Tourism Master Plan. Preliminary findings suggest more urgent and no-regrets improvements can be implemented concurrently. The overarching design principle is to prioritize people over cars along the main street to make it more attractive, vibrant, and safe. Investments may include: traffic calming measures to reduce the operating speed of vehicles; constructing/rehabilitating safe walkways; installing safe crossings; modifications to the on-street parking layout; establishing a protected bike lane network including wayfinding signage and bicycle parking; creating and upkeeping green areas; building and maintaining public toilets; installing adequate signage and bins; introducing general clean-up and beautification programs; and outfitting a planned visitor information center in the new Savusavu market. Traffic, bike lanes, and sidewalk related investments will be done in partnership with FRA, who has the mandate for these, as a technical partner. In parallel with the infrastructure investments, the Project will finance initiatives to increase bicycle usage, availability, and maintenance options. The design of these improvements will take into consideration climate resilient features, and the needs and safety of women and vulnerable groups. The facilities will support universal access wherever feasible. The project's activities promote the use of non-motorized, low-carbon transportation options among the local and tourist populations. By encouraging a shift from motorized to non-motorized transport, the proposed activities will contribute to the reduction the towns' carbon footprints.

The Project will invest in quick wins through community-driven interim interventions in the town centers of Savusavu and Labasa while larger and more permanent investments are being planned as part of Phases II and III of the MPA Program. This subcomponent plans to take the approach of “interim interventions” to improve part of the cityscape, which means the scope of interventions and their design will be determined through community consultation to create temporary improvements to the walkability and livability of the towns. For example, these could include

creating pedestrian ways, public spaces, and bike lanes by demarcating open urban spaces with paint and temporary barriers. These designs will take into consideration the needs of vulnerable groups to create better, safer, and universal access, and will use local material and labors. Through a user evaluation survey at the end of the trial period, these interim interventions will be either made permanent or altered. These interventions in Savusavu and Labasa will be implemented by the MTCA in partnership with MoLG, STC and LTC, with communities participating in the selection of interventions and sites.

Component 3. Tourism Capacity Enhancement and Project Management (US\$9 million)

Subcomponent 3a Institutional Strengthening and Capacity Building

The investments under this component will address capacity challenges to improve institutional coordination between implementation agencies and enhance the enabling environment for private sector-led sustainable tourism. The component aims to improve the enabling environment for tourism and capacity building through institutional strengthening, capacity building, and developing policies and strategies that promote climate-resilient practices and infrastructure within the tourism sector. *Component 3 will be implemented by MTCA with technical partners iTaukei Land Trust Board (3a), FRA (3a), WAF (3a), and National Trust of Fiji (3a).*

The investments under this subcomponent led by MTCA will address capacity challenges within implementation agencies to support institutional coordination and an enhanced enabling environment for private sector-led sustainable tourism. During consultations, nearly all implementing agencies noted the need for capacity building and retention to provide efficient government services. This was paired with a call from the private sector and investors to strengthen government service provision in Vanua Levu and streamline the regulatory environment for private sector growth (for example through mapping processes, zoning, building codes to ensure the regulatory framework is conducive to tourism, investment, etc.). To support sustainable destination management and project monitoring, this subcomponent will provide capacity building to enhance tourism and project indicator statistics, especially for supply-side data on jobs, investments, tourism MSMEs, women's engagement in tourism, and products. This includes supporting the ongoing implementation of MTCA's international visitor survey and conducting an updated tourism satellite account. This subcomponent will also establish baselines and targets for PDO and PrDO-level indicators to ensure projects results can be monitored accurately. The Project will also build the capacity of statutory bodies, such as FRA, WAF, the National Trust of Fiji, and others to ensure adequate skills are built and retained within Fiji to develop and manage sustainable and resilient infrastructure. Similarly, the Project will work with TLTB through a TA to build capacity and improve efficiency in land leasing for tourism to help stimulate additional private sector investments, especially for community-based tourism. TLTB currently oversees and manages the leasing of native lands for private sector, conservation, infrastructure and other activities (nearly 90 percent of land in Fiji is communally owned by iTaukei communities). Tourism leases for both community owned and privately invested businesses follow a specific procedure that can be cumbersome, expensive, and time consuming. This is particularly the case when an investor is seeking to gain access to land owned by multiple matagali for adventure tourism activities, such as, trekking and river rafting. The Project will support TLTB to streamline its land leasing products and services for tourism, including creating a new land leasing product for adventure tourism access to community trails, land and waterways.

The Project will develop and institutionalize coordination mechanisms to address gaps in sector management. Given the cross-cutting nature of the tourism sector and the necessary whole-of-government approach to sustainable and resilient tourism development, enhanced institutional coordination and improved efficiency and accountability across government is required. The Government and World Bank Group have been engaging with stakeholders in Vanua Levu since early 2020 when the Project idea was originally initiated. There is strong and full support from the Government, implementing agencies, technical partners, community, and private sector stakeholders for the operation. The Project will support continued intra-government coordination through a Project Steering Committee. The Project will aim to systematize these coordination initiatives so that they become permanent and outlive the Project.

Subcomponent 3b Project Management

This subcomponent covers the establishment of the central project management unit (C-PMU) before project effectiveness. Its role is to support project management during preparation and implementation after World Bank approval to ensure cost-efficient, timely, and quality delivery of project activities and results. This will include financing cost related to TA, works, goods, workshops, and operational costs to support the project's day-to-day implementation and management, including: providing overall project management support; coordination of project activities; ensuring coordination among all stakeholders; ensuring accountability in project financial management, monitoring and reporting, and procurement; applying the World Bank's Environmental and Social Framework (ESF); ensuring social inclusion, and gender issues are recognized and integrated into the Project, including a project gender action plan; and preparation of annual work plans, budgets, financial reporting, and project reporting. It will also finance the creation of the project steering committee to be established and institutionalized to support intra-government coordination and project management. It will also finance developing a monitoring and evaluation (M&E) system to report on the Project results (disaggregating by sex, where appropriate) and systematize project lessons learned. It will be implemented by MTCA. The C-PMU will also support the Project operation team in each IAs with TA and capacity building. Additional tasks include assisting in preparing consolidated yearly annual budget and work plans; establishing a transparent Project Management Information System; ensuring active local community participation; facilitating spatial planning in accordance with the ITMP; ensuring appropriate complaint handling and resolution; ensuring adequate capabilities from all project stakeholders; and ensuring timely delivery of reports.

Annex C. SESA Indicative Table of Contents

Executive Summary

Table of Figures

List of Tables

List of Acronyms

Table of Contents

1. Introduction
2. Executive Summary
3. Methodology and Approach to SESA
 - a. Policy Formation Process Alignment Approach
4. Stakeholder Analysis and Engagement
 - a. Stakeholder Analysis
 - b. Stakeholder Engagement Plan
5. Situational Analysis / Current State
 - a. Institutional, Policy and Legislative Framework Analysis
 - b. Rapid Sectoral Analysis
6. Identification and Assessment of Environmental, Social and Cultural Heritage Priorities
 - a. Identification of environmental, social, and cultural heritage priorities
 - b. Current response
 - c. Gaps, issues and findings
 - d. Barriers and constraints to effective implementation
 - e. Policy recommendations
7. Potential Impacts
 - a. Potential direct, indirect and cumulative environmental, social, and cultural heritage benefits and impacts that may result from Implementation of the ITMP.
8. Strategic Policy Recommendations for the Draft ITMP
 - a. Recommended Policy Actions for draft ITMP
 - b. Recommended Mitigation Measures for draft ITMP (e.g. Go/No Go Areas, Parameters of Allowed Activities, Ineligible Activities) Recommended Policy & Legislation Updates Proposed Monitoring and Evaluation Process
 - c. Recommendations for inclusions in Final SESA
9. Institutional Capacity and Training
 - a. Capacity and Training Needs Assessment
 - b. Capacity Building and Training Plan

Appendices

Annex D. World Bank SESA Definition

ESS1—Annex 1. Environmental and Social Assessment

A (j) Strategic Environmental and Social Assessment

Strategic environmental and social assessment (SESA) is a systematic examination of environmental and social risks and impacts, and issues, associated with a policy, plan or program, typically at the national level but also in smaller areas. The examination of environmental and social risks and impacts will include consideration of the full range of environmental and social risks and impacts incorporated in ESS 1 through 10. SESAs are typically not location-specific. They are therefore prepared in conjunction with project and site -specific studies that assess the risks and impacts of the project.