



PACIFIC REGION INFRASTRUCTURE FACILITY ANNUAL REPORT 2022

COUNTRY PROFILES



Pacific Region
Infrastructure Facility

ADB



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ABBREVIATIONS

ACA	Asset Condition Assessment
ADB	Asian Development Bank
ASPA	Association of South Pacific Airlines
CEO	chief executive officer
COVID-19	coronavirus disease
CoP	community of practice
DER	distributed energy resources
DFAT	Australian Department of Foreign Affairs and Trade
DMF	design and monitoring framework
EU	European Union
FEMM	Forum Economic Ministers Meeting
FRA	Fiji Roads Authority
FSM	Federated States of Micronesia
GESI	gender equality and social inclusion
GFCE	Global Forum on Cyber Expertise
ICT	information and communication technology
ITU	International Telecommunications Union
JICA	Japan International Cooperation Agency
M&E	monitoring and evaluation
MEL	monitoring, evaluation, and learning
MTR	Mid-Term Review
NextGen	Next Generation Climate Projections for the Western Tropical Pacific
NIIP	national infrastructure investment plan
NZ-MFAT	New Zealand Ministry of Foreign Affairs and Trade
PASO	Pacific Aviation Safety Office
PIANC	Permanent International Association of Navigation Congresses
PIC	Pacific Island country
PIF	Pacific Islands Forum
PIPI	Pacific Infrastructure Performance Indicator
PSIP	Public Sector Investment Plan
PMC	PRIF Management Committee
PNG	Papua New Guinea
PPA	Pacific Power Association
PRIF	Pacific Region Infrastructure Facility
PRIF CO	Pacific Region Infrastructure Facility Coordination Office
PUB	Public Utility Board
PWWA	Pacific Water and Wastewater Association
RAMM	Regional Aviation Ministers' Meeting
RMI	Republic of the Marshall Islands
SDCC	ADB Sustainable Development and Climate Change Department
SIM	sustainable infrastructure management
SOE	state-owned enterprise
SPC	Pacific community
SPREP	Secretariat of the Pacific Regional Environment Programme
TA	technical assistance
TOR	terms of reference
UN	United Nations
USAID	United States Agency for International Development
VISIP	vVanuatu Infrastructure Strategic Investment Plan
WASH	water, sanitation, and hygiene
WatSan	Water and Sanitation

In this report, “\$” refers to United States dollars.



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>In April 2015, the Cabinet of the Cook Islands endorsed and adopted the Cook Islands National Infrastructure Investment Plan (NIIP) prepared with PRIF assistance.</p> <p>In 2020, the Cook Islands Investment Corporation (CIIC), which oversees the monitoring and implementation of Cook Islands NIIP, requested assistance from PRIF to conduct a mid-term review of the 2015 NIIP and update it to prioritize infrastructure investments for the next 10 years, including both existing and new projects being considered for national budgeting and support from development partners, the private sector, public-private partnerships, and climate finance.</p>	<p>The 2020 mid-term review found that 79% of the 43 priority infrastructure projects identified in the 2015 NIIP had either been completed or were underway.</p> <p>The 2021 NIIP was assembled through a consultative process involving a wide range of stakeholders—government, international agencies, and the private sector.</p> <p>A total of 136 infrastructure projects and studies, grouped in 38 infrastructure programs, were identified. with a combined budget of approximately NZ\$685 million. The programs were prioritized utilizing the multi-criteria analysis from the Cook Islands <i>Te Tarai Vaka</i> process. The final phasing of NIIP projects over the 10-year plan period will need to work within the capital expenditure thresholds set by the Ministry of Finance and Economy.</p> <p>The Cook Islands Prime Minister, the Hon. Mark Brown, launched the 2021 NIIP on 12 August 2021.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Cook Islands Country Waste Audit</p> <p>Country waste audits will provide important data to scope a tailored regional waste management and recycling hub. The data gathered will be used by countries in the Pacific to develop and monitor waste and resource recovery projects and recommend the infrastructure and policy interventions required.</p> <p>Together with Pacific Island country (PIC) governments and regional partners, such as Pacific Hazardous Waste, the United Nations Environment Program, the Japanese Technical Cooperation Project for Promotion of Regional Initiative on Solid Waste Management in Pacific Island Countries, the South Pacific Regional Environment Program and PRIF partners, a common Waste Audit Methodology was developed by PRIF in 2019. A waste audit and institutional assessment in the Cook Islands was undertaken on two islands (Rarotonga and Aitutaki), covering 146 households, 53 businesses, 100 stockpiles, and 95 landfill assessments.</p>	<p>22 people from the Cook Islands were trained in conducting waste audits (20 male, two female). All information was recorded on smartphones and loaded onto the ArcGIS platform, allowing for remote and real-time quality checking of the data.</p> <p>The average household waste generation per day in the two islands is 1 kg (0.1–3.8 kg per household per day), mostly hygiene products, organic waste, and glass. Waste from businesses includes paper/ cardboard, plastic, metals, and glass. There is very little material being exported from the Cook Islands for recycling or recovery purposes.</p> <p><i>The Cook Islands Waste Audit</i> was published in January 2021 and is being used for country planning and monitoring. Data from the audit were handed over to the Regional Waste Management Database and shared with the consulting firm conducting the regional recycling hub scoping study.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>The Cook Islands Airport Authority, the Ministry of Finance and Economic Management, and the Ministry of Transport were consulted for the study that reviewed the Pacific aviation landscape at the time of coronavirus disease (COVID-19); identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support, including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at the 2nd Regional Aviation Ministers' Meeting (RAMM2) chaired by Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the Pacific Civil Aviation Safety and Security Treaty (PICASST) and completing a 10-year Pacific Regional Aviation Strategy (PRAS) to strengthen aviation safety and security, and improve air connectivity.</p> <p>The Post-COVID-19 Pacific Short-term Aviation Strategy Study identified several travel bubbles including the Rarotonga/Realm Countries Bubble; the trans-Tasman Bubble; and Pacific Pathways. Air Rarotonga received salary support from the government, a business continuity loan, and community service obligation (CSO) subsidies for services to the outer islands. The airline developed a multi-faceted recovery strategy focusing on sustainable CSO services, developing medevac services, re-establishing the Tahiti service when practical, widening services to the surrounding region, partnership with other carriers, and investing significantly in human capital. The government designed a COVID-19 Economic Recovery Roadmap and used the NIIP to seek development partners' funding and investment in priority infrastructure.</p>
<p>Pacific Clean Energy Financing Potential</p> <p>Between July and December 2021, PRIF undertook a demand analysis and stock-take of the Pacific energy landscape with specific attention to energy end-use by residential consumers, the potential for distributed energy resources, and energy efficiency. The aim was to determine prospects for retail lending through national development banks with targeted distributed energy resources and energy efficiency financial products for poor and female-headed households, and inform future support programs to PICs by PRIF partners.</p> <p>Cook Islands was one of five countries profiled to gain a deeper understanding of market drivers and barriers for the upscale of renewable energy products and energy-efficient appliances.</p>	<p>The final report was received in June 2022 and has been published on the web and in hard copy. The findings were presented at a PRIF Community of Practice (CoP) webinar in September 2022.</p> <p>According to the report, Cook Islands has set its renewable energy target at 60% by 2030. However, Cook Islands does not have an energy efficiency target and there are no loan facilities specifically targeting energy efficiency and renewable energy programs at the household level. Commercial banks offer personal loan products to pay for new household appliances and solar home systems for water heating and other applications. Consumer awareness of energy efficiency is higher in the Cook Islands compared to other PICs because most household appliances with energy-efficiency labels come from Australia and New Zealand. Suppliers and repair service providers are well established in Rarotonga, some with special arrangements with the outer islands. There may be opportunities to build local operation & maintenance capacity, focusing on solar grid and off-grid skills, noting the recent growth in outer island system installations. Cook Islands Tertiary Training Institute and the University of South Pacific provide a range of programs from academic to trade skill courses.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>The Manager of the Infrastructure Committee Secretariat, Cook Islands and the Project Manager of the Cook Islands Airports Authority were speakers and/or panel members during PRIF Week 2022, sharing their experience on local procurement, and contracting challenges.</p> <p>The CIIC CEO was also a speaker at the December 2022 PRIF CoP webinar, focusing on Infrastructure Planning for Building Pacific Resilience.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Engagement with the Ministry of Economy (MoE) commenced in April 2021, with the concept note to support and strengthen Fiji's NIIPs endorsed on 2 February 2022. A four-person team mobilized on 4 May 2022 and the inception report was presented to the government in mid-June.</p>	<p>The international consultants conducted two missions to Fiji: (i) 8–26 August 2022 for multi-sector consultation and infrastructure planning workshop; and (ii) 27 September – 26 October 2022 for validation of data analysis and final selection of prioritized projects. The second draft of the NIIP was received on 26 November 2022 and sent to the government for comments.</p> <p>Given that the general election in Fiji was held in early December 2022, cabinet submission has been deferred to early 2023.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Fiji Country Waste Audit</p> <p>Country waste audits will provide important data to scope a tailored regional waste management and recycling hub. The data will be used to develop and monitor waste and resource recovery projects and recommend the infrastructure and policy interventions required.</p> <p>Using the Waste Audit Methodology developed by PRIF in 2019, an audit in Ba and Labasa districts was conducted, involving 104 household and 14 commercial samples, six stockpiles, and 263 landfill-loads assessments. Key delivery partners for the audits were the Ba and Labasa Town Councils, Department of Environment, Ministry of Local Government, and the respective communities.</p>	<p>The audit found that 37.3% of waste generated at the household level is organics, followed by plastic at 17.4%, and paper and cardboard at 16.8%.</p> <p><i>The Fiji Waste Audit</i> was published on the web in December 2021. PacWastePlus intends to design and implement an organic processing program for local communities, including some from Labasa.</p>
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>MoE, Airport Fiji Ltd, and Fiji Airways were consulted for the study that reviewed the Pacific aviation landscape during COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>The study showed that the aviation sector in Fiji is an important industry for tourists and inter-island connections. The government's economic recovery strategy is embodied in the "Fijian COVID Safe Economic Recovery Framework", whereby resumption of international travel and tourism was dependent on high vaccination rates in Fiji and selected source markets. The Bula and the Pacific Pathways bubbles were the two air travel bubbles proposed by Fiji to facilitate travel between the Pacific nations and the Blue Lane Initiative for the marine sector aimed to bring tourists to Port Denarau.</p> <p>Fiji Airways implemented its Travel Ready program and in March 2021 received a \$65 million Liquidity Support Facility from the Asian Development Bank (ADB) for its return to profitable operations. Airports Fiji Ltd. received support from the Australian Infrastructure Financing Facility for the Pacific and in co-financing with ANZ Bank Fiji to refinance existing debt.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Diagnostic Study of Pacific Water and Waste Water Association (PWWA) Water Utilities</p> <p>The study aimed to assist five member utilities and their governments to formulate policies to meet the 2030 agenda for the Sixth Sustainable Development Goal (SDG-6); prepare a framework for the PWWA to monitor the ability of utilities to provide universal access to water and sanitation; and identify actions to enable the utilities to be efficient and effective.</p> <p>The draft final report containing an SDG-6 assessment report for all PRIF countries and a strengths, weakness, opportunity and threat (SWOT) analysis of five target utilities was received in March 2022. The final report was received from the consultants in April 2022 and contains: (i) SDG-6 assessment reports and action plans for the five countries and five utilities; (ii) South Tarawa Water and Sewerage Rapid Response Plan; and (iii) recommendations in the areas of policy, investments, use of the diagnostic framework, and suggested actions for water utilities to contribute to achieving SDG-6.</p> <p>The Water Authority of Fiji (WAF) was one of five target utilities in the study. In order to enhance SDG-6 achievement, WAF proposed to focus the diagnostic analysis on water supply and sanitation (WSS) in informal settlements and rural communities in Fiji.</p>	<p>The Diagnostic Study was completed in March 2022 and the country/utility report was uploaded in October 2022. The publication included a strategic action plan to enhance WAF's contribution to achieving SDG-6. Endorsed by WAF's CEO, the plan consists of three components: 1) improving water, sanitation and hygiene (WASH) in informal settlements, 2) increasing water supply coverage in rural villages in Fiji, and 3) carrying out public health education and behavioral change programs through social media and other communication channels. It is now a working plan with all initiatives and donor-funded projects aimed toward its components.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>A PRIF Week hub was established in Suva for the five days of the conference in October 2022, where government, regional organizations, the private sector and development partners gathered to view and participate in the event; display information and hard copies of reports; and network. The CEO of Fiji Roads Authority was one of the speakers on performance-based contracting and the government's role in supporting local contractors.</p> <p>Ms. Malvina Singh from MoE was also a speaker at the PRIF CoP webinar in December 2022, sharing insights on applying the NIIP Guide to strengthen Fiji's Public Sector Investment Program, developing a central infrastructure pipeline database, and incorporating robust economic, social and environmental criteria to prioritize infrastructure projects across sectors.</p> <p>Via the Building Codes Technical Assistance (TA), support was provided to the Fiji Building Codes Task Force to peer review the proposed structure of the revised Building Code and ensure it aligned with best practices identified in the PRIF-led Regional Coordination and Harmonization report that was under development.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
Assistance to FSM on national infrastructure planning is included in PRIF's program for 2023–24.	Not yet started.

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Improving National Building Codes and Standards in the Pacific</p> <p>In June 2021, the Department of Transport, Communications, and Infrastructure of the Government of FSM requested for an expert to conduct preliminary review of the buildings/houses in FSM, outline the scope and approach for developing the building code, and prepare the consultants' terms of reference for the national building code (NBC) preparation. PRIF fielded a short-term resource person consultant that provided the expertise.</p> <p>PRIF also designed a wider regional study to support improvements to national building codes, their implementation and enforcement, and contribute to the efficient and effective application of design and construction standards across the Pacific. The broader study commenced in November 2021, with the final Coordination and Harmonization report received on 10 December 2022. FSM is one of 13 countries included in this regional study on Improving National Building Codes and Standards in the Pacific.</p>	<p>In 2021, FSM established a building code technical working group with the intention to adopt the International Code Council model codes. In 2022, with the support of the PRIF TA Core Team, the group is completing a National Code Work Plan.</p> <p>In 2023, PRIF TA short-term specialists will conduct a desktop review and stakeholder consultations to establish an independent baseline of the context and technical challenges related to fire, mechanical, electrical, accessibility, plumbing and sanitation, and energy efficiency for buildings; and propose recommendations and amendments to the International Code Council model codes.</p> <p>A construction legal specialist will conduct a gap and needs analysis of the national and state building construction legislation/regulations through desktop reviews and in consultation with key stakeholders; design legal frameworks to harmonize national and state building construction legislation/regulations; conduct workshops to present, gather feedback and get consensus on the most acceptable legal framework; and draft instructions/checklist of requirements for the development, repealing, and/or modification of each proposed national/state legislation/regulation.</p>

KIRIBATI

NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>On 17 November 2021, Kiribati endorsed the concept note for PRIF assistance to prepare an NIIP. The four-person team mobilized on 15 March 2022. A workshop that scoped the NIIP pipeline projects was held in-country on 20 June and the first draft NIIP was sent to the government in mid-September. A second workshop in-country presenting the final pipeline and fiscal analysis was held on 28 September 2022, followed by submission of the second draft of the NIIP to the Government of Kiribati for comments.</p>	<p>The final NIIP is awaiting cabinet approval in late January 2023. The training of National Economic Planning Office staff on multi-criteria analysis of projects will also take place in early 2023.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Pacific Clean Energy Financing Potential</p> <p>Between July and December 2021, PRIF undertook a demand analysis and stock-take of the Pacific energy landscape with specific attention to energy end-use by residential consumers, the potential for distributed energy resources, and energy efficiency. The aim was to determine prospects for retail lending through national development banks with targeted distributed energy resources and energy efficiency financial products for poor and female-headed households, and inform future support programs to PICs by PRIF partners.</p> <p>Kiribati and Tonga were two countries where surveys were implemented, while only desktop research was done for Cook Islands, Solomon Islands, and Vanuatu.</p>	<p>The final report was received in June 2022 and has been published on the web and in hard copy. The findings were presented at a PRIF CoP webinar in September 2022.</p> <p>The technical potential for renewable energy in Kiribati is high. For South Tarawa, this included about 554 MWp for photovoltaic energy and 1.1 MWp for wind power; for North Tarawa, this included its solar microgrids.</p> <p>Kiribati has committed to greenhouse gas reduction of 61.8% by 2030 and aims to raise electricity generation from renewables to 23% in South Tarawa, 40% in Kiritimati, and 40% in the outer islands by 2025, as well as improve energy efficiency by 22% in South Tarawa and 20% in Kiritimati and the outer islands by the same year.</p> <p>There is a low level of awareness on energy-efficient appliances in Kiribati and energy standards have not been formally adopted. The Development Bank of Kiribati offers loans for purchasing solar products and electrical appliances. Formal banks, cooperatives, and private lending institutions also offer different kinds of loans for purchasing solar products and electrical appliances. Kiribati's effort in transitioning to a clean energy sector is progressing very well due to the significant input of its development partners.</p>
<p>Improving Building Codes and Standards in the Pacific</p> <p>A regional TA to support national efforts in improving building codes, standards, and capacities for enforcement in PRIF member countries commenced in November 2021.</p> <p>As part of the regional study, PRIF is assisting the Government of Kiribati in updating the 2012 Kiribati National Building Code. Recruitment for eight external consultants was underway in December 2022.</p>	<p>The final Coordination and Harmonization Report, developed under the broader regional study, was received on 10 December 2022. Procurement of eight positions for the review of the Kiribati NBC will be conducted in December 2022–January 2023, with a view to commencing the works in February/March 2023.</p> <p>As of December 2022, the Kiribati Ministry of Infrastructure and Sustainable Energy was in the process of establishing a building code technical working group and formulating an NBC action plan.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Diagnostic Study of Pacific Water and Waste Water Association (PWWA) Water Utilities</p> <p>The study aimed to assist five member utilities and their governments formulate policies and determine priorities for investments in water to meet the 2030 agenda for SDG-6; prepare a framework for the PWWA to monitor the ability of utilities to provide universal access to water and sanitation; and identify actions to enable the target utilities to be efficient and effective.</p> <p>The draft final report containing an SDG-6 assessment report for all PRIF countries and a SWOT analysis of five target utilities was received in March 2022. The final report containing: (i) SDG-6 assessment reports and action plans for the five countries and five utilities; (ii) South Tarawa Water and Sewerage Rapid Response Plan; and (iii) recommendations in the areas of policy, investments, use of the Diagnostic Framework, and suggested actions for water utilities to contribute to achieving SDG-6 were received from the consultants in April 2022.</p> <p>The Public Utilities Board (PUB) of Kiribati was one of five target utilities in the Pacific for the Study. The focus of the diagnostic analysis was to assist PUB prepare a short-term action plan to safeguard the continuation of water supply until the reverse osmosis plants from the South Tarawa Water Supply project become operational.</p>	<p>The Diagnostic Study was completed in March 2022 and the country/utility report was uploaded in October 2022.</p> <p>In February 2022, the study provided PUB with a South Tarawa Water Supply and Sewerage Rapid Response Plan, which identified short-term solutions and recommendations that can be rapidly implemented to assist pub management in delivering services, while managing a water supply system that was in crisis. It identified measures to assist PUB with: (i) immediate water loss reduction activities, (ii) increasing water supply availability to customers, (iii) improving water quality (disinfection), and (iv) PUB operational support, including estimated physical tools and equipment costs needed. The consultants also assisted the Ministry of Infrastructure and Sustainable Energy in developing a WASH strategy for the Outer Islands.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>The Kiribati Lead for the PRIF study on Pacific Clean Energy Financing Potential, who conducted the survey of solar household systems and household energy efficient appliances in country, presented study findings at the PRIF CoP webinar in April 2022.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>The Nauru Economic Infrastructure Strategy and Investment Plan 2011 was prepared with PRIF assistance and represented a country-led and prioritized investment plan for economic infrastructure for the next 5–10 years.</p> <p>The Nauru Integrated Infrastructure Strategic Plan (NIISP) 2019, prepared under PRIF Phase III, was endorsed and adopted by the Cabinet of Nauru on 27 November 2019 as a guide to public infrastructure investment planning and budgeting.</p>	<p>The Nauru Government and PRIF virtually launched NIISP in August 2020 and distributed copies to development partners. An infrastructure asset information and condition assessment report was included in the plan, as well as capacity-building options to strengthen the government’s capacity to implement the Nauru Infrastructure Asset Management Framework and the NIISP.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Improving Building Codes and Standards in the Pacific</p> <p>On 14 July 2021, the Government of Nauru requested PRIF assistance for the preparation of an NBC. Assistance will be part of a wider regional PRIF study to support improvements to NBCs, their implementation and enforcement, and contribute to the efficient and effective application of design and construction standards across the Pacific.</p> <p>In 2022, a Nauru National Coordinator was contracted for 25 working days spread over 6 months to assist in the creation of an NBC Technical Working Group (TWG). A new request to PRIF is to assist with the development of a proposal to apply the Nauru NBC and enforce compliance at the central and local levels.</p> <p>A regional TA to support national efforts in improving building codes, standards and, enforcement capacities in PRIF member countries commenced in November 2021.</p>	<p>The final Coordination and Harmonization Report, developed under the broader regional study, was received on 10 December 2022.</p> <p>PRIF Coordination Office (CO) is currently contracting short-term specialists and a national coordinator to assist the TWG prepare a building approval process that identifies the roles and responsibilities of key government ministries/departments; prepare a National Building Board and Building Control Office Business Plan/Roadmap; and design a Training Plan and conduct workshops/training to National Building Board and Building Control Office staff to administer and enforce the updated Nauru NBC.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>Nauru was included in the initial study that reviewed the Pacific aviation landscape during COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>The study reported that, during the pandemic, Nauru Airlines was able to operate (even at sometimes negative cashflow) as a freight carrier, bringing essential cargo to various PICs, including Kiribati, Fiji, and Nauru and within Australia. It was part of the Pacific Humanitarian Pathway on COVID-19. Nauru’s COVID-19 recovery strategy focuses on virus control and containment through border control and quarantine processes, support to the hospital and health care sector, and maximizing vaccination. The need to maintain transport connectivity during the pandemic for food and economic security is also central to the strategy, with plans to continue to fund CSOs for Nauru Airlines and the port utility.</p> <p>The government obtained a loan from Exim Bank, Taipei, China for an aircraft replacement program for Air Nauru and the airline has recently acquired a new B737 700 Freighter for flying many Qantas night freighter services within Australia and the region, as well as increased charter flights to Nauru. Australia is providing AU\$40 million to upgrade the country’s international airport, resurfacing the runway, upgrading critical air traffic control equipment, and upgrading sections of the Nauru ring road.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>On April 2021, the Niue Ministry of Infrastructure requested PRIF assistance in the preparation of NIIP 2030, including a mid-term review of the National Transport Strategy and Short-term Action Plan 2017–2026.</p> <p>The concept note was approved by the government on 21 October 2021. The three-person team mobilized in February 2022. An inception report was received on 28 March and virtually presented to the Government of Niue. The international team visited Niue from 24 July to 11 August and conducted an NIIP stakeholder workshop on 28 July.</p> <p>The draft NIIP was sent to the government for comments on 15 August.</p>	<p>The mid-term report included a review of policy frameworks for economic infrastructure in terms of planning and management; a review of the National Strategic Plan 2016–2026, the Asset Management Plan 2016 and existing infrastructure sector plans; and a mid-term review of the National Transport Strategy and short-term action plan (2017–2026) with a revision to the short-term action plan, including identification of priority transport projects. Recommendations for an upgraded infrastructure planning process have been provided within the draft NIIP in addition to a review of tariff and cost recovery for economic infrastructure services.</p> <p>The NIIP identified a total of 78 investments in infrastructure, with the top 29 priority projects a mixture of infrastructure across the water, energy, transport, water and sanitation, waste management, and communications sectors. The draft NIIP has been assisted by an Implementation Committee with representatives from ADB, the Australian Department of Foreign Affairs and Trade (DFAT) and the New Zealand Ministry of Foreign Affairs and Trade.</p> <p>The government is currently consolidating comments from various departments and is planning to present the NIIP to the cabinet before finalization. The NIIP is expected to be completed by 30 March 2023.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>In August 2020, the Bureau of Budget and Planning of the Government of Palau endorsed the PRIF concept note for the TA in the preparation of the Palau NIIP. The NIIP aims to support the country's recovery efforts from the COVID-19 pandemic by rationalizing and mobilizing infrastructure investment opportunities to reinstate and expand commerce and trade, restore and create new jobs, and generate government revenues that will allow Palau to get back to and remain on a sustainable growth path.</p> <p>A government task force was set up to lead the formulation of the NIIP and a development committee of senior officials from key agencies was formed to assess and prioritize proposed infrastructure projects based on social, cultural, and environmental development concerns of the government and society, and potential financial and economic impact.</p>	<p>The NIIP identified a total of 68 investments in infrastructure, with the top 20 priority projects being a mixture of infrastructure for resource development, utility renewal and expansion and strengthening of central government administration.</p> <p>An NIIP Design and Monitoring Framework was designed with the Bureau of Public Works in cooperation with the Bureau of Budget and Planning, who will be responsible for the monitoring and reporting on NIIP implementation as a component of the government's annual budget formulation.</p> <p>The Palau NIIP 2021–2030 was launched by the Government in July 2021 and presented at the Palau Economic Symposium in Koror in November 2021.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Diagnostic Study of PWWA Water Utilities</p> <p>Between July and December 2021, PRIF undertook a study to assist member utilities and their governments to formulate policies and determine priorities for investments in water to meet the 2030 agenda for SDG-6; to prepare a framework for the PWWA to monitor the ability of utilities to provide universal access to water and sanitation; and to identify actions to enable the target utilities to be efficient and effective. The Palau Public Utilities Corporation (PPUC) was one of five target utilities by the study and agreed to carry out a general assessment of its operations including the challenge of improving water quality.</p>	<p>The Diagnostic Study Report was completed in March 2022 and the country/utility report was uploaded in October 2022.</p> <p>The report on SDG-6 for PPUC contained utility assessments, a SWOT analysis, and a utility strategy and action plan. PPUC is one of the best-performing utilities in the Pacific region and has achieved almost 100% water coverage within its supply area and about 80% of the population has access to its sewerage system. Houses outside the reach of PPUC's sewerage systems still have access to adequate sanitation in the form of septic tanks in combination with flush toilets. The action plan focused on addressing qualitative improvements in performance and service delivery rather than extending access to WSS.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>The Operations Manager of the National Development Bank of Palau was a speaker at the April CoP webinar on financing households to buy solar rooftop panels and energy-efficient appliances, sharing the Bank's Renewable Energy Program as funded by the Government of Japan, which is placing grid solar home systems on 800 Palauan homes.</p>



TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Benchmarking Infrastructure Maintenance in PICs</p> <p>This study aimed to improve maintenance of infrastructure across PICs through identification of baseline metrics and assessment of progress (maturity) against best maintenance management practices. It gathered data from 26 entities across six infrastructure sectors in 14 PRIF member countries, including PNG. Financial records were sourced for PNG Ports and these were included in the analysis database.</p>	<p>Financial records for PNG Ports were found to be in good order, with the replacement cost and annual depreciation of assets included. The port has a capital intensity ratio of 6.7, meaning it would take 6.7 years of revenue to replace its asset base — this is in line with the 6.2-year average across all entities surveyed.</p> <p>PRIF held a webinar on 30 November 2021 to disseminate the results and recommendations of the baseline assessment study; the webinar was attended by eight agencies from five PICs. The report was published on the web in February 2022.</p>
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>This study reviewed the Pacific aviation landscape during the COVID-19 pandemic; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>Air travel is the most important form of transport in PNG, with its largest cities, Port Moresby and Lae, only directly connected by air. Airport projects under the Civil Aviation Development Investment Program has resumed after being disrupted by COVID-19 in 2020–2021. Air Niugini continues to operate flights, with some subsidy from the Australian government and is overhauling its fleet. Air Niugini and Link PNG continue to operate to nearly all domestic ports.</p> <p>In 2022, PNG Air was undergoing a major transformation plan, with fleet renewal and rebranding and a new business strategy focused on the domestic market.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
Assistance to RMI on national infrastructure planning is included in PRIF's program for 2023–24.	Not yet started.

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Sanitation Options in the Pacific</p> <p>With the aim of improving public health and hygiene in the Pacific, PRIF investigated the feasibility, risks, and opportunities of technological options for improving on-site sanitation in peri-urban and remote locations. With Vanuatu and RMI as the study areas, the study was completed in September 2019. PRIF sought clearance and endorsement from the respective governments to publish the report for public dissemination and, in late 2021, re-engaged the study authors to make presentations on the findings and recommendations of the study and provide expert opinion in the consultation meetings with key officials and agencies in RMI and Vanuatu.</p>	<p>The study recommended that RMI establish a Sanitation and Hygiene Taskforce led by the Chief Secretary's Office and develop: (i) a National Sanitation and Hygiene Strategy; (ii) Sanitation and Hygiene Guidelines; and (iii) pilot an Island-wide sanitation program that will include the development of low-cost local toilet solutions including appropriate septic tanks to properly treat waste and improve effluent quality.</p> <p>In 2022, PRIF CO and the authors presented the report to the RMI cabinet led by the Hon. President David Kabua. The government views sanitation for all as a high priority and showed great interest in the report and its findings and seeks development partner support to implement the recommendations.</p> <p>Discussions are ongoing with the RMI government, who sought PRIF assistance to:</p> <ul style="list-style-type: none"> • develop a National Sanitation and Hygiene Strategy – this will cover Majuro and other urban areas, and Outer Islands; • develop a manual on fit-for-purpose sanitation options – this manual will show designs, materials needed and instructions on how to build and use toilets depending on local situations; • develop an inclusive roadmap for sanitation to address high rates of open defecation in some Outer Islands and provide a fit-for-purpose toilet in each household; and fund its implementation; and • assist in developing a nationwide awareness-raising campaign on sanitation and hygiene.

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
PRIF reached out to the RMI Permanent Secretary for Transport, as Chair of the Central Shipping Commission to present on shipping connectivity at PRIF Week 2021.



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>In 2021, the Samoa Ministry of Finance requested PRIF assistance to strengthen its investment planning and management processes. A concept note was prepared by PRIF focusing on: strengthening the Samoa Public Sector Investment Plan; supporting the review and development of the Samoa Energy Sector Plan; and supporting and assisting transport, information and communication technology, and other infrastructure. The Government of Samoa approved the concept note on preparing a Public Sector Investment Plan and database and the development of a National Energy Sector Plan on 28 June 2022.</p>	<p>The International Energy Planning Specialist mobilized on 26 October 2022, the two national consultants on 24 November; and the three-person international Core NIIP Team on 14 November 2022. A kick-off meeting with the Government of Samoa was held on 25 November 2022 and the inception report was received on 7 December 2022.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>The Samoa Ministry of Finance and Samoa Airways officials were consulted for the study that reviewed the Pacific aviation landscape during COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>Samoa Airways is the state-owned national flag carrier of Samoa, which, prior to COVID-19, was operating short-haul flights between Samoa and American Samoa, along with international flights to Australia and New Zealand. Samoa was also serviced by Air New Zealand, Fiji Airways, and Virgin Australia and was pursuing interlining and code-sharing partnerships with these carriers. Samoa is an important transit point for passengers travelling to and from Tokelau by boat.</p> <p>During the pandemic, Samoa Airways operated limited flights between Fitiuta and Ofu in American Samoa and repatriation flights to Pago Pago. Air New Zealand operated a weekly service to Auckland under the International Air Freight Capacity scheme. The airline also had an agreement with DFAT to service the Samoa–Tonga–Australia route under the Pacific Flight Subsidization Program.</p> <p>In 2022, the Government of Samoa planned to open Fagali'i airfield to increase traffic between Apia and Pago Pago, American Samoa. Samoa Airways will concentrate on joint ventures with other airlines in the short to medium term for international travel.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Diagnostic Study of PWWA Water Utilities</p> <p>Between July and December 2021, PRIF undertook a study to assist member utilities and their governments to formulate policies and determine priorities for investments in water to meet the 2030 agenda for SDG-6; to prepare a framework for the PWWA to monitor the ability of utilities to provide universal access to water and sanitation; and to identify actions to enable the target utilities to be efficient and effective. The Samoa Water Authority (SWA) was one of five target utilities in the Pacific for the study.</p>	<p>The Diagnostic Study was completed in March 2022 and the country/utility report was uploaded in October 2022.</p> <p>The SDG-6 Profile of Samoa and SWA showed that SWA has been able to maintain reasonably high service standards, although water quality remains an issue in some areas. It also showed that it was necessary to prepare disaster recovery and business continuity plans for dealing with extreme weather events. The sewerage network coverage was found to be very low. From a financial performance perspective, the utility was recommended to improve collection efficiency, reduce operational costs (non-revenue water), and gradually increase water tariffs.</p> <p>SWA's action plan to enhance universal access to water and sanitation in Samoa consists of the following components: (i) extend SWA's supply area to also cover the villages currently covered by the Independent Water Scheme Association, (ii) enhance sewerage services in Apia and the surrounding area, (iii) develop and implement a masterplan for water supply and sanitation in Samoa, and (iv) build capacity for SWA staff.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>The Samoa Chamber of Commerce hosted the Samoa Hub on the first day of PRIF Week 2022. Government officials, the private sector, and local contractors/consulting firms came together to participate in the event. The Assistant CEO of the Energy Division of the Samoa Ministry of Finance spoke about opportunities for the local private sector in energy and water infrastructure in Samoa.</p> <p>The Project Coordinator of the United Nations Development Program (UNDP) Spotlight Initiative in Samoa was a panel member on the PRIF CoP webinar, titled “Strengthening Gender and Social Inclusion”, held in July 2022. There, she gave her insights into how UNDP works to build local capacity to implement gender-responsive budgeting across the Samoan national budgetary processes.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>The first Solomon Islands NIIP was developed with PRIF assistance in 2013, covering the period 2013-2023.</p> <p>In March 2019, the government, through the Ministry of National Planning and Development Coordination, initiated the development of a high-priority infrastructure investment pipeline, where 55 out of 72 project submissions from 17 agencies were prioritized. By August 2019, 24 of these 55 projects had identified funding and seven of the 10 high-priority projects were selected for implementation. The Ministry of National Planning and Development Coordination requested PRIF support to help update the 2019 pipeline and produce an NIIP for the period 2020-2030.</p>	<p>The Solomon Islands Priority Infrastructure Investment Pipeline 2021 contained a total of 59 prioritized infrastructure projects (38 new and 21 upgrade or rehabilitation projects). The first 25 high-priority projects comprised investments totaling \$3.1 billion across nine industry sectors, with more than 60% of projects targeting the rural areas of Solomon Islands. These projects are important for post-COVID-19 economic recovery of Solomon Islands and the creation of both short- and long-term job opportunities.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Post-COVID-19 Pacific Short-term Aviation Strategy Study and 2021 Updating</p> <p>The Solomon Islands government and Solomon Airlines were consulted for the study that reviewed the Pacific aviation landscape during COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>The Honiara International Airport serves as the domestic and international base for the country's national carrier, Solomon Airlines; and Munda Airport is the second international airport. With COVID-19, Solomon Airlines halted all international passenger flights (except for limited repatriation flights to Auckland and Brisbane) and reverted to cargo flights, and 50% of domestic flights with 60% load factor. For recovery, a separate Solomon Airlines study in 2021 recommended that the government support a regional airline solution consisting of commercial partnerships, code sharing, and pooling and sharing of resources, as well as undertaking a feasibility study on the use of seaplanes and seaports as an alternative domestic air access solution.</p> <p>From 2021, the World Bank has been assisting with the development of Honiara and Munda Airports (including resurfacing pavements, navigation and safety aids, a new terminal at Munda, etc.) under the Solomon Islands Road and Aviation Project, and the Second Solomon Islands Roads and Aviation Project multi-year performance-based airport asset maintenance contract. ADB is ensuring that Honiara airport is compliant with the International Civil Aviation Organization Council's Aviation Recovery Task Force guidelines.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Diagnostic Study of PWWA Water Utilities</p> <p>Between July and December 2021, PRIF undertook a study to assist member utilities and their governments to formulate policies and determine priorities for investments in water to meet the 2030 agenda for SDG-6; to prepare a framework for the PWWA to monitor the ability of utilities to provide universal access to water and sanitation; and to identify actions to enable the target utilities to be efficient and effective. Solomon Water was one of five target utilities in the Pacific for the study.</p>	<p>The Diagnostic Study was completed in March 2022 and the country/utility report was uploaded in October 2022, with the Strategic Action Plan published in January 2023.</p> <p>The SDG-6 Assessment Report on Solomon Islands and Solomon Water Authority contained a SWOT analysis for the formulation of the diagnostic framework, where Solomon Water identified its strategic priorities as follows:</p> <ol style="list-style-type: none"> 1. 2022–2030: Further develop, expand, and maintain WSS facilities and services in Honiara, Auki, Noro, and Tulagi; construct new WSS systems in Gizo and Munda (2020–2025); and maximize WSS coverage in these service areas. 2. 2025–2030: Carry out feasibility studies and develop new WSS systems in Bina Harbor and Choiseul Bay (including Taro and Spizozae islands). 3. 2030 and beyond: Start planning for extending WSS services to other provincial towns. 4. 2030 and beyond: Identify potential support to operations and maintenance of rural WASH systems in the vicinity of urban centers currently served by Solomon Water. <p>A Strategic Action Plan for Solomon Water to achieve the SDG-6 objectives was developed, identifying current initiatives and outlining a strategic path in a prioritized order for servicing currently unserved areas.</p>
<p>Improving Procurement Practice and Local Participation in Pacific Infrastructure Delivery</p> <p>Between August 2021 and July 2022, PRIF undertook a study to improve procurement practice and local participation in infrastructure delivery in PICs based on a regional stock-take and in-depth studies and consultative workshops in the Solomon Islands and Tonga.</p> <p>The study team mobilized in August 2021; a mid-term report on results of a stock-take of procurement practices in PICs was received on 22 October 2021; and a draft final report was received on 24 December 2021 covering the study findings and recommendations and was presented to the Sustainable Infrastructure Management Working Group on 17 January 2022. The final report, received in July 2022, contained recommendations to enhance the use of local content in infrastructure projects by PICs, development partners, and the private sector.</p>	<p>The final report was published on the web and in hard copy, and was presented at a PRIF CoP webinar in August 2022.</p> <p>According to the study, between 2018–2020, the Solomon Islands Government awarded 183 infrastructure-related contracts to 109 local contractors with a total value of approximately \$44.2M. The contracts included both capital works expenditure (44%) and refurbishment/maintenance expenditure (56%). The study estimates that local contractors are delivering miscellaneous works valued at approximately \$15 million per annum and that a significant amount of local capacity exists in Solomon Islands for small-value road-related contracts. Procurement management laws and regulations in Solomon Islands include: Public Financial Management Act 2013; Interim Financial Instructions 2014: Chapter 7; Procurement and Contract Administration Manual 2013; and Public Financial Management (Procurement) Regulations 2021. Solomon Islands technical and vocational education and training providers include: Solomon Islands National University, Don Bosco Technical Institute, and Solomon Islands Association of Vocational Rural Training Centers. The School of Built Environment at Solomon Islands National University is the main provider of engineering and construction-related training.</p> <p>Local participation was selected as the theme of PRIF Week 2022.</p>



SOLOMON ISLANDS

TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Pacific Clean Energy Financing Potential</p> <p>Between July and December 2021, PRIF undertook a demand analysis and stock-take of the Pacific energy landscape with specific attention to energy end-use by residential consumers, the potential for distributed energy resources, and energy efficiency. The aim was to determine prospects for retail lending through national development banks with targeted distributed energy resources and energy efficiency financial products for poor and female-headed households, and inform future support programs to PICs by PRIF partners. The Solomon Islands was one of five countries profiled to gain deeper understanding of market drivers and barriers for the upscaling of renewable energy products and energy-efficient appliances.</p>	<p>The final report was received in June 2022 and has been published on the web and in hard copy. The findings were presented at a PRIF CoP webinar in September 2022.</p> <p>Nearly all grid-connected power is generated by diesel from imported fuel as the country has no natural sources of fossil fuel (although there is potential to use coconut oil to replace diesel). The country is committed to reducing greenhouse gas emissions by 27% below the 2015 level by 2025 and 45% by 2030. Based on the country’s renewable energy roadmap, mini/micro-hydro development and solar photovoltaic electricity generation will be developed by 2030.</p> <p>Hybrid solar systems are popular in the outer islands, but most communities remain reliant on diesel generators. Solomon Power encourages the use of energy-efficient appliances; however, the population has low awareness of Energy Star labelling in appliances. Challenges to accessing a loan are eligibility for loans, restricted lending to women, and lack of formal adoption of energy standards. There is a shortage of technical skills and capacities for local operations and maintenance services, including installation and repairs. Skills development and training can be led by the School of Built Environment.</p>

OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND
<p>The Chief Environmental Officer of the Solomon Islands Ministry of Environment, Climate Change and Disaster Management was a panel member on the roadmap for a recycling network in the Pacific during PRIF Week 2022. The Communications and Corporate Support Coordinator of the Solomon Islands Water Authority was a presenter and panel member on the Authority’s gender equality program during the PRIF Week 2022 Gender Empowerment and Social Inclusion in infrastructure session.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>The first Tonga NIIP (2010) was developed with PRIF assistance and the full participation of and consultation with internal stakeholders and private sector representatives. It listed 12 high-priority proposed projects for the next 5 years, totaling TOP146 million; and identified different financing sources for new priority investments, maintenance, and complementary activities.</p> <p>The second Tonga NIIP (2013–2023), also developed with PRIF assistance, contained 13 high-priority projects for the next 5 years, totaling TOP170 million. The second Tonga NIIP focused on improved asset management, climate change adaptation and disaster risk management. The government also proposed a full update of the NIIP by the Ministry of Finance and National Planning every 4 to 5 years.</p> <p>In February 2020, the Prime Minister’s Office requested an update of the second Tonga NIIP, including an upgrade of the NIIP tools and templates for project proposals and prioritization methodology; and in August 2020, endorsed the concept note for the preparation of Tonga NIIP 2020–2030, with a focus on mainstreaming processes and strengthening government ministries and state-owned enterprise coordination and linkages.</p> <p>In 2022, the Prime Minister’s Office requested PRIF support to update Tonga NIIP 2020–2030 to consider the impacts of the Hunga Tonga – Hunga Ha’apai (HTHH) volcanic eruption and tsunami.</p>	<p>Tonga NIIP 2020–2030 was approved by the cabinet on 19 August 2021. It is complemented by an NIIP Guidance Manual, which contains the templates, tools, and processes for applying the mainstreamed approach. Less than a year of the NIIP being approved, the HTHH volcano erupted on 15 January 2022, followed by a tsunami and ashfall. The National Emergency Management Committee prepared an HTHH Recovery Plan 2022–2025.</p> <p>The focus for the update of Tonga NIIP 2020–2030 was on: (i) reconstruction of infrastructure damaged by HTHH, as identified in the Recovery Plan, in the long list of projects for reprioritization; (ii) alignment of infrastructure projects with the Government Priority Agenda 2022–2025; and (iii) build back better and resilience to climate change and natural disasters economic recovery and jobs, post-COVID-19 and post-volcanic disaster.</p> <p>The concept note was approved by the government in June 2022, with a national economist commencing services on 1 August 2022. An inception report was received mid-August followed by consultation workshops with relevant infrastructure ministries and public enterprises in September 2022. Two screening and prioritization workshops with National Planning, Ministry of Finance (MoF) and Ministry of Infrastructure (MoI) were held in October 2022, with further consultations with MoI, the Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications and the MoF’s Aid Coordination Unit in November 2022. The draft Tonga NIIP 2020–2030 HTHH update was received in December 2022. The Prime Minister’s office is preparing for cabinet submission in January 2023.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Improving Procurement Practice and Local Participation in Pacific Infrastructure Delivery</p> <p>Between August 2021 and July 2022, PRIF undertook a study to improve procurement practice and local participation in infrastructure delivery in PICs based on a regional stock-take and in-depth studies and consultative workshops in the Solomon Islands and Tonga.</p> <p>The study team mobilized in August 2021; a mid-term report on results of a stock-take of procurement practices in PICs was received on 22 October 2021; and a draft final report was received on 24 December 2021 covering the study findings and recommendations and was presented to the Sustainable Infrastructure Management Working Group on 17 January 2022. The final report, received in July 2022, contained recommendations to enhance the use of local content in infrastructure projects by PICs, development partners, and the private sector.</p>	<p>The final report was published on the web and in hard copy, and it was presented at a PRIF CoP webinar in August 2022.</p> <p>According to the study, Tonga’s procurement is governed by the Public Procurement Regulations 2015 and the Public Procurement Regulations (Amendment) 2019 and there is a registration system of supplier or contractors maintained by the Ministry of Labour, with criteria for debarment. A 2020 audit of the country’s procurement process concluded that it lacked a strategic approach and recommended better planning and monitoring of procurement outcomes.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Pacific Clean Energy Financing</p> <p>Between July and December 2021, PRIF undertook a demand analysis and stock-take of the Pacific energy landscape with specific attention to energy end-use by residential consumers, the potential for distributed energy resources, and energy efficiency. The aim was to determine prospects for retail lending through national development banks with targeted distributed energy resources and energy efficiency financial products for poor and female-headed households, and inform future support programs to PICs by PRIF partners. Tonga is one of five countries profiled for this study.</p>	<p>The final report was received in June 2022 and has been published on the web and in hard copy. The findings were presented at a PRIF CoP webinar in September 2022.</p> <p>Tonga’s energy resources are very limited, and heavily reliant on imported fossil fuel for electricity generation and transportation. Tonga Power Limited is the sole provider of electricity services, and the country has high access to electricity supply, both rural and urban. The electricity tariff in Tonga is one of the highest in the region, with the fuel component adjusted regularly to forecast fuel cost and electricity demand, taking into account previous over- or under-recovery rates. Renewables accounted for 12.78% of the total production capacity for the year 2019/2020 and overall fuel displacement value of 14.5%. Awareness of the benefits of energy efficiency is relatively high at 67% and the perception of its value is at similar levels among grid-connected households, but the understanding of energy efficiency labels is extremely low at 20%. Awareness of the benefits of energy efficiency is very low among off-grid households.</p> <p>Fiscal incentives are available to energy consumers in the form of tax reductions, grants, and subsidies to support various energy activities of households and businesses. There is limited access to finance available in the banking sector in Tonga so lending agencies service the microfinance market and those ineligible for bank loans.</p>
<p>Post-COVID-19 Aviation Sector Short-term Strategy Study and 2021 Updating</p> <p>The Government of Tonga through the Ministry of Finance, Civil Aviation Tonga, and Tonga Airports Ltd were consulted for the study that reviewed the Pacific aviation landscape at the time of COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at the RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>Real Tonga (“REALtonga”) was the domestic service provider up to the pandemic, with Tonga relying on foreign carriers to provide international services. REALtonga collapsed in May 2020, leaving the outer islands with no regular air links (except occasional charter flights). Air New Zealand operates weekly cargo to Tonga using its Airbus A320 under the Maintaining International Air Connectivity scheme, and charter services from Australia contracted to Qantas under the DFAT air route subsidy scheme.</p> <p>In September 2020, the government secured a locally issued domestic Air Operator Certificate for the government-owned Lulutai Airlines to restore services in the domestic market. However, by November 2021, the government has reached an in-principle agreement to sell Lulutai Airlines to privately owned Fly Niu airline in early 2022.</p>



OTHER ENGAGEMENT

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>The Tonga Chamber of Commerce and Industry, Inc. hosted the PRIF Week Tonga Hub for the 5 days of the conference, which was held in October 2022. Throughout the week, there was good engagement and strong participation from various government infrastructure agencies and state-owned enterprises, and the private sector (local contractors).</p> <p>Leveni Aho, Implementation Support Specialist (former Director of Tonga’s National Emergency and Disaster Management Office) was invited to a PRIF CoP webinar in June 2022 to share his experience on the role of infrastructure in building back better and supporting disaster recovery following the Tonga volcano and tsunami disaster, gaps in capacity development in relation to infrastructure in HTHH recovery; challenges and opportunities for incorporating local content in infrastructure projects; and how asset assessments are used to inform disaster recovery and planning for more resilient infrastructure.</p> <p>The Deputy Secretary of Planning at the Prime Minister’s Office shared her experience in mainstreaming the key steps of the PRIF Guidelines for preparing NIIPs into the government’s planning processes, at the December PRIF CoP webinar titled “Infrastructure Planning for building Pacific Resilience”.</p>	<p>At the end of PRIF Week, the building and civil works contractors established an association to address common challenges, including building standards and capacity building and ultimately contribute to more resilient infrastructure development in Tonga. The new association, named the Tonga Building and Road Contractors Association, is currently active under the auspices of the Tonga Chamber of Commerce and Industry.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>PRIF first assisted the Government of Tuvalu to prepare the Tuvalu Infrastructure Strategy and Investment Plan (TISIP) in 2011.</p> <p>TISIP 2016–2025, also prepared with PRIF assistance, represented a total investment of approximately A\$213 million over a 10-year period. The plan was endorsed and adopted by the Cabinet of Tuvalu on 7 December 2016 as a guide to infrastructure investment over the next 10 years and was linked to the Tuvalu Asset Management Framework.</p> <p>In late 2019, the Tuvalu Ministry of Finance requested PRIF assistance to update TISIP 2016–2025 in a 10-page document using government staff resources. PRIF CO assisted the government in preparing project profile and conducting prioritization.</p>	<p>The Tuvalu Priority Infrastructure Investment Plan (TPIIP) 2020–2025 consists of a high-priority study of A\$5 million and 15 high-priority projects totaling A\$246.7 million over the next 5 years. The report was approved by the Cabinet of Tuvalu in December 2020. The Government of Tuvalu is using the TPIIP to improve coordination in planning and financing of economic infrastructure among national stakeholders and international development partners. It is being monitored by the National Development Committee and the Planning and Budget Division of the Ministry of Finance and Economic Development.</p> <p>In 2021, the World Bank commenced feasibility and scoping studies on transport priority projects in the TPIIP, specifically to:</p> <ul style="list-style-type: none"> • establish a domestic air service while at the same time building a new international airport to free up the existing airfield for other demanding infrastructural target activities; and • improve international air and shipping services to ensure reliability of service and lower transport costs. <p>The next step would be to update the Tuvalu asset register and develop 10-year maintenance plans for public assets and to inform and budget the Tuvalu Maintenance Fund.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Tuvalu Country Waste Audit</p> <p>Country waste audits will provide important data to scope a tailored regional waste management and recycling hub. The data gathered will be used by countries in the Pacific to develop and monitor waste and resource recovery projects and recommend the infrastructure and policy interventions required.</p> <p>Using the waste audit methodology developed earlier by PRIF, a waste audit and institutional assessment was undertaken for 197 households, 25 commercial establishments, and one landfill site in Funafuti and Vaitupu, Tuvalu.</p>	<p>Eight people from Tuvalu were trained in how to conduct a waste audit.</p> <p>Almost 1,642 tons and 7,000 m³ of materials of interest are generated in Tuvalu each year. Between 6–10 m³ of household waste and 750–1,000 m³ of non-household waste enter the landfill every day. In addition, 96% of end-of-life vehicles, 40% of electronic (e)-waste, and 86% of lead acid batteries are generated annually by Funafuti. Recyclable materials not currently considered in any recycling or recovery scheme account for almost 30% of the country's waste stream. Future projects involving recovery of cardboard offer the highest savings in landfill space and more than 20% diversion from landfill.</p> <p>Tuvalu is ready and will be able to fully contribute to the operation of a regional recycling network because it has: (i) a legislative framework to recover recyclable materials; (ii) capable staff committed to better waste management outcomes and/or be trained to participate in recycling network activities; and (iii) a framework of infrastructure reforms currently underway that will allow for the collection and compaction of materials effectively.</p> <p>The Tuvalu Waste Audit Report was published in August 2021 and is being used for country planning and monitoring. Data from the audit were handed over to the Regional Waste Management Database and shared with the consulting firm conducting the Regional Recycling Hub Scoping Study.</p>



NATIONAL INFRASTRUCTURE INVESTMENT PLANNING

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>The Vanuatu Infrastructure Strategic Investment Plan (VISIP) 2015 published by the Government of Vanuatu with PRIF was approved by the Council of Ministers on 16 April 2015. It outlines Vanuatu's priorities and plans for major economic and social infrastructure up to 2024.</p> <p>In April 2020, PRIF initiated discussions with the Vanuatu Government through the Prime Minister's Office to update the VISIP. In June 2022, the Government endorsed the concept note for the VISIP update.</p>	<p>Procurement of an NIIP specialist commenced in September 2022, with mobilization undertaken in early December 2022. The national economist is still under procurement. They will be joined by the international NIIP Core Team in mid-January 2023.</p>

TECHNICAL ASSISTANCE

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Sanitation Options for Pacific Island Countries – Vanuatu and RMI</p> <p>With the aim of improving public health and hygiene in the Pacific, PRIF investigated the feasibility, risks, and opportunities of technological options for improving on-site sanitation in peri-urban and remote locations. With Vanuatu and RMI as the study areas, the study was completed in September 2019. PRIF sought clearance and endorsement from the respective governments to publish the report for public dissemination, and, in late 2021, re-engaged the study authors to present the study and provide expert input in the consultation meetings with key officials and agencies in RMI and Vanuatu.</p>	<p>The Ministry of Health is responsible for sanitation and hygiene in Vanuatu. There is a National Sanitation and Hygiene Policy, but a practical sanitation and hygiene strategy and action plan that defines the current status of accessibility to improved facilities for each province and sets out achievable targets for 2030 was recommended to be developed. The study also proposed the establishment of provincial sanitation task forces; development of a coordinated knowledge management and learning culture in the sector and pilot testing of a sanitation model village and a menstrual hygiene program; and development of a management information system to monitor national and provincial progress, and to share progress and lessons learned.</p> <p>The study report was approved by the Vanuatu government prior to publication and uploading to the PRIF website.</p>
<p>Pacific Clean Energy Financing Potential</p> <p>Between July and December 2021, PRIF undertook a demand analysis and stock-take of the Pacific energy landscape with specific attention to energy end-use by residential consumers, the potential for distributed energy resources, and energy efficiency. The aim was to determine prospects for retail lending through national development banks with targeted distributed energy resources and energy efficiency financial products for poor and female-headed households, and inform future support programs to PICs by PRIF partners. Vanuatu is one of five countries profiled for this study.</p>	<p>The final report was received in June 2022 and has been published on the web and in hard copy. The findings were presented at a PRIF CoP webinar in September 2022.</p> <p>Vanuatu has no indigenous resources of fossil fuels and has some potential for hydropower development and solar photovoltaics for electricity generation. There is scope for private sector investment in mini-grids. The Energy Efficiency Act of 2017 established technical standards for refrigeration, air conditioning, and lighting equipment and products commercialized in Vanuatu; and the population has good awareness of energy efficiency.</p> <p>The country has a National Green Energy Fund with a budget of Vt500 million from 2020–2025 to mobilize and channel revolving financial resources through loans to households, communities and businesses to access renewable energy and energy-efficient products. Challenges to clean energy loan products include eligibility and the low income of the population and community institutions.</p>



TECHNICAL ASSISTANCE (continued)

INITIATIVE AND BACKGROUND	ACHIEVEMENTS AND STATUS
<p>Post-COVID-19 Aviation Sector Short-term Strategy Study and 2021 Updating</p> <p>The Vanuatu Government and Airports Vanuatu, Ltd. were consulted for the study that reviewed the Pacific aviation landscape during COVID-19; identified priority short-term post-COVID-19 recovery scenarios; and identified immediate and short-term priority areas of support including indicative financing instruments and costs.</p>	<p>The updated study was completed in April 2022 and was the background document at RAMM2 held in the Cook Islands in June 2022. At RAMM2, Pacific Aviation Ministers committed to revising the PICASST and completing a 10-year PRAS to strengthen aviation safety and security, and improve air connectivity.</p> <p>Aviation is vital to the socio-economic development of Vanuatu, providing critical domestic, regional, and international connectivity. Air Vanuatu is the national carrier operating direct flights to Australia, New Zealand, New Caledonia, and Fiji and uses several codeshare agreements for other international destinations.</p> <p>During the pandemic, the government provided Vt400 million in financial support to Air Vanuatu and Airports Vanuatu, Ltd. The airline continued to operate domestic flights at reduced frequency and international operations are limited to repatriation flights and cargo only flights to the region.</p> <p>In September 2021, Port Vila’s Bauerfield International Airport received certification under the Airport Council International’s Airport Health Accreditation program and the government provided Vt94 million to upgrade the ventilation system and construct an exterior building to ensure segregation of arriving passengers from higher-risk areas. The government proposed a three-phased approach to safe border reopening.</p> <p>Air Vanuatu was contracted under the Australian Government Pacific flights program to provide a subsidized monthly charter flight between Australia and Tuvalu via Port Vila, increasing to twice monthly in 2022.</p> <p>Air Vanuatu undertook a review of its long-term business strategy and identified the concept of changing its international fleet to a smaller-capacity more efficient Airbus A220 type.</p>



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