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ANNEX I

to the Commission Implementing Decision amending Commission Decision C(2022)8927 final of 30.11.2022 on the financing of the annual action plan in favour of the Independent State of Papua New Guinea for 2022

Action Document for South Bougainville Rural Water, Sanitation and Hygiene (WaSH) Programme

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	South Bougainville Rural Water, Sanitation and Hygiene (WaSH) Programme OPSYS: ACT-61297 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in the Autonomous Region of Bougainville (AROB), Papua New Guinea.
4. Programming document	EU-PNG Cooperation Multiannual Indicative Plan (MIP) 2021-2027
5. Link with relevant MIP(s) objectives / expected results	<p>Priority Area 2: Water, Sanitation and Hygiene (WaSH) for Human Development – “Water is Life”.</p> <p>Overall objective: To improve gender-responsive Water, Sanitation and Hygiene (WaSH) policies, services and practices in the Autonomous Region of Bougainville (AROB).</p> <p>The specific objectives are:</p> <p>SO1: To increase the use and maintenance of equitable, safe, adequate and sustainable water, sanitation and hygiene supply and practices in places of human agglomeration in rural areas of South Bougainville District of AROB.</p> <p>SO2: To improve governance and institutional capacities of mandated authorities for WaSH service delivery in Bougainville.</p> <p>Covid-19 awareness will be included at both levels.</p>
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	<p>Water, Sanitation and Hygiene (WASH)</p> <p>- DAC sector: 140 – Water Supply and Sanitation</p>

7. Sustainable Development Goals (SDGs)	Main SDG: <ul style="list-style-type: none"> SDG 6: Clean water and Sanitation Other significant SDGs: <ul style="list-style-type: none"> SDG 1: ‘End Poverty’ SDG 3: ‘Good Health and Well-being’ SDG 5: ‘Gender Equality’ SDG 13: ‘Climate Change’ 			
8 a) DAC code(s)	14030 – Basic drinking water supply and basic sanitation (100 %)			
8 b) Main Delivery Channel	Non-Governmental Organisations (NGOS) and Civil Society - 20000			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		YES	NO	

	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2022-14.020132-C1-INTPA Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR 5 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing¹	The Action will be implement in: 1. Direct management through a grant 2. Indirect Management with an entrusted entity			

1.2 Summary of the Action

As PNG's main development partner in the sector, and given the impact of poor water supply and sanitation on human development, the EU identified Water, Sanitation and Hygiene (WaSH) for Human Development as Priority area 2 in the EU-PNG MIP 2021-2027. PNG's low WaSH coverage increases the vulnerability of the population to water-borne and other diseases, including the COVID-19 pandemic. Improved hygiene practices and access to clean water are therefore of utmost importance in this global emergency context. The proposed action reflects this focus, contributing to the objectives of the EU Strategy for Cooperation in the Indo-Pacific and the EU's response to Covid-19.

Supporting the goals of PNG's National WaSH Policy 2015-2030 and the Bougainville Strategic Development Plan 2018-2022, the Overall Objective (Impact) of this action is to improve gender-responsive Water, Sanitation and Hygiene (WaSH) policies, services and practices in the Autonomous Region of Bougainville (AROB). The Specific Objectives are:

¹ Art. 27 NDICI

- SO1: To increase the use and maintenance of equitable, safe, adequate and sustainable water water, sanitation and hygiene supply and practices in places of human agglomeration in rural areas of South Bougainville District of AROB.
- SO2: To improve governance and institutional capacities of mandated authorities for WaSH service delivery in Bougainville. Covid-19 awareness will be included at both levels.

To achieve these objectives, this action comprises a component on rural WASH service delivery in the South Bougainville District, Bougainville's most under-served area, and a component on institutional strengthening and capacity building for Autonomous Bougainville Government (ABG) entities mandated to implement WASH services in Bougainville, notably the ABG Department of Health as well as local authorities. The action will support the implementation of the PNG National WaSH policy 2015 - 2030 and the ABG's policies and commitment to ensure access to critical WaSH services, as a means to strengthen human development, health, education and livelihood for marginalised rural communities, and groups that are living in the most vulnerable situations, such as persons with disabilities among other discriminated groups, with a special focus on women and girls.

The action will significantly strengthen resilience to climate change for rural communities. It also supports GoPNG's commitment to improve social services in Bougainville. While mainly focussing on SDG 6 (WaSH), this action also contributes to SDGs 3 (health), 1 (end poverty), 5 (gender equality) and 13 (climate action). It contributes directly to the EU Gender Action Plan III and particularly its thematic area Promoting economic and social rights and empowering girls and women.

2 RATIONALE

2.1 Context

1. Political and Financial Outlook

With 80% of the Pacific countries' landmass, population and economy, large reserves in critical mineral resources, and as a focus of intensifying competing geo-political interests, the importance of PNG for the EU is growing. Though affected by various layers of fragility, PNG adheres to EU fundamental values, human rights, democracy and the rule of law, and has recently (January 2022) abolished the death penalty. The most recent Parliamentary elections took place in mid-2022. Despite some shortcomings, the overall democratic and civilian-led political process is considered not to be under threat. Covid-19 hit PNG as the government started implementing wide-ranging macroeconomic reforms under an IMF Staff Monitored Programme. To mitigate the impact of Covid-19 on the economy, PNG opted for expansionary macroeconomic policies, mainly through an ambitious fiscal stimulus package and an increase of capital expenditure. Despite the crisis, the overall financial situation remains under control. According to the IMF, public debt is sustainable, conditional on implementing prudent fiscal policies. PNG's Medium Term Fiscal Strategy 2020-2024 aims at accelerated fiscal consolidation. The EU disbursed the first ever budget support tranche to PNG in December 2021.

2. Specific/ sector context

Reliable access to water and sanitation is among the most elementary human needs and rights, as well as an enabler for human development, public health, resilience and improved livelihoods. The critical role of WaSH is acknowledged in the New European Consensus for Development, the 2030 Agenda and PNG's overall and sectoral development plans, including the PNG National WaSH Policy 2015 - 2030. Improved access to safe water and sanitation facilities is also a thematic objective of the EU's Gender Action Plan III. The need for improved access to WaSH is further highlighted as a means to prevent the spread of Covid-19, and possible future pandemics.

Despite its lower middle income status, PNG ranks at the bottom of all Pacific countries for all WASH related health statistics. In rural areas with above 80% of the population, only 33% have access to safe water; and only 13% have access to improved sanitation. The low WaSH coverage affects people's health, education and nutrition, causing significant damage to PNG's long-term development perspectives and the livelihoods, especially of the people in most vulnerable situations in rural and peri-urban settings. Total WaSH related deaths in PNG are estimated at 6,164 per year (MTDP 2 - 2016-2017). PNG has the fourth highest child-stunting rate in the World. Frontier Economics estimates that child undernutrition could cost PNG economy up to 8.45% of GDP per annum (USD 1.5billion). A study on the cost of "poor WASH" in PNG is presently been conducted. The lack of WaSH

facilities in health care facilities, schools and marketplaces in PNG increases the vulnerability of the population to water borne and other diseases, including the COVID-19 pandemic. Hygiene and access to clean water are of utmost importance in this global emergency context. Access to permanent, safe and secure WaSH is also threatened by the fact that PNG is impacted by climate change. Frequent natural disasters are adding major "water insecurity" challenges, through droughts or floods, both destructive and sources of pollution. Traditional hygiene behaviour such as open defecation remains widespread in rural areas. With one of the world's fastest growing population, the pressure on existing WaSH delivery mechanisms is constantly increasing.

PNG's WaSH framework consists of its national (PNG WaSH Policy 2015 -2030) and subnational WaSH policies and mandated institutions, notably the WaSH Program Management Unit (PMU) in the National Department for Planning and Monitoring (DNPM), the Department of Education ("WaSH in schools") and Department of Health. Bougainville's WaSH policy is outlined in its Development Strategy 2018-2022, to be implemented by the ABG's Department of Health. The EU has been and remains PNG's main development partner in the sector. By strengthening public sector capacities, and improving sustainable service delivery, the action will contribute to human development for directly targeted communities and for the Autonomous Region of Bougainville - a region still suffering from the consequences of a protracted civil war - as a whole.

2.2 Problem Analysis

While some progress has been achieved in the past, PNG still belongs to the countries worldwide with the lowest WaSH related indicators. Among the most under-served areas is Bougainville and more specifically the South Bougainville district (SBD), severely undermining its human development, health and education. Following the end of the conflict, service delivery within Bougainville focussed on the more easily accessible districts of North and Central Bougainville, leaving South Bougainville further behind in terms of access to basic services including WASH. While the progressive stabilization enables the ABG and service providers to initiate their engagement in SBD, the district's WaSH coverage remains at the bottom and related risks, including the spread of Covid-19, remains the highest. The action will therefore focus on delivering WASH services in rural areas of South Bougainville District (SBD), and developing the capacities in Bougainville's WASH sector agencies. The main priority areas and problems that the scope of this Action will address include the following:

➤ **Poor WaSH facilities in Schools, Healthcare centres and other places of human agglomeration.**

Most schools in Bougainville (318 elementary, 220 primary and 11 secondary), and in particular those in SBD, have only very rudimentary, inadequate water and sanitation facilities. This affects in the first place children with disability as well as adolescent girls who are at risk of dropping out due to the lack of the provision of menstrual hygiene facilities. The Bougainville Strategic Plan 2018-2022 aims to increase the number of schools with access to water and sanitation facilities, as well as more accessible facilities for children with disabilities. WaSH in schools is also an entry point to change behaviour in communities, with parents and teachers included in information and awareness campaigns, hygiene and hand washing trainings. With already very low basic health indicators², the lack of adequate WaSH facilities in health centres, notably in SBD, further contributes to low service quality and increases the risk of the spread of communicable diseases. To address this challenge, the Bougainville Strategic Plan 2018-2022 envisages to provide all health care facilities in Bougainville with running water, power supply, waste disposal and sanitation. This is in line with PNG's National WaSH Policy, aiming at a 100% coverage of educational institutions and medical centres across the country with access to safe, convenient and sustainable water supply and sanitation facilities. Markets and churches are other places of major human agglomeration in SBD without adequate WaSH facilities, putting health and human development of the population, notably those in the most vulnerable situations, at risk.

➤ **Lack of WASH facilities in rural communities and the practice of open defecation.**

In rural areas of Bougainville and notably in SBD, water is mainly sourced from rain (rain catchment) and from rivers and streams which in many cases are polluted from anthropogenic activities. Women and girls have the responsibility of water collection, usually travelling long distances, risking their safety to collect water for household consumption and use. In most rural areas, sanitation facilities do not exist. Widespread traditional hygiene behaviour including open defecation contributes to the poor health status of the population, undermining

² Bougainville Strategic Plan 2018-2022

people's livelihood and human development. The proposed action will promote household latrines and Open defecation free (ODF) communities.

Climate proofing will be applied to all rural WASH facilities in the schools healthcentres, communities and other places of human agglomeration. Additionally, communication campaigns will target school kids as access points to families and communities on the dissemination of WASH benefits for environment and health. Developing community awareness on reducing water pollution, protection of watersheds and water sources and the causes and impacts of climate change will be included in the action.

➤ **Weak institutional framework, capacities, funding and sector coordination among mandated institutions and other stakeholders**

The WASH sector in Bougainville faces three main challenges: a limited institutional framework and sector responsibilities, limited budgetary allocations, and limited human resources³. The ABG Department of Health (DoH) is responsible for overall WaSH policies, while the District Development Authorities⁴ are responsible for delivering WASH services. WASH in schools is managed by the Department of Education. However, these local authorities do not have the capacity to fulfil their mandate nor are they fully aware of their role in the sector, including access to funding for WASH related services. Bottlenecks identified at the ABG and district levels include: poor planning and decision making mechanisms, unclear sector responsibilities particularly in rural areas, lack of funds, lack of operations and maintenance for existing water supply schemes and poor sector monitoring and a lack of available data (including disaggregated data). Building institutional support and capacities, including data and digital technology, of the ABG (which is only now starting to take over WaSH policy responsibilities from the Government of PNG), will enable in the medium term the authorities to fulfil their role and mandate in the sector.

➤ **Conflict sensitive issues around WaSH programmes**

WaSH programmes can interact in various ways with conflict dynamics and conflict drivers, based on patronage, kinship or political affiliation, or gender exclusionary norms. For this reason, participatory and gender inclusive approaches are extremely important in WaSH programmes. Another driver of tensions and divisions is linked to access and control of water resources, which are often managed on the basis of both statutory and customary water rights. Water sheds and on flow water rights may interact with upstream-downstream local conflicts between different communities, creating water disputes. In addition to that, water management may interact with environmental grievances against mining industries. What is true for land conflict therefore is equally true for the management of water resources in WaSH programmes.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action: **Government**

While at central PNG government level the **WaSH Program Management Unit (PMU) under the Department of National Planning and Monitoring (DNPM)** remains responsible and the main duty bearer, for the implementation of PNG's National WaSH policy and overall WASH sector coordination. Responsibilities for WaSH in Bougainville are progressively being transferred to the **Autonomous Bougainville Government (ABG), notably its Departments of Health and Education**. However, ABG's capacities for implementation, standard setting, monitoring and evaluation, WaSH data management, and coordination of stakeholders, remain very low. The ABG highlights access to WASH in schools, health care facilities and communities a priority in the Bougainville Strategic Plan 2018-2022. At local level, **District Development Authorities (DDA)** are supposed to be the major vehicle for delivering services at the local level⁵ and the key driver for implementation of national policies. DDAs set local development priorities, develop five-year plans and allocate funds accordingly including reporting on implementation. To date however, DDAs' capacity is still very limited and thus their effective role requires some support. The main actor and beneficiary of the action will be the targeted rural communities including women and men in all their diversity, in the South Bougainville District.

³ Cooper, R. 2019. Political economy of Papua New Guinea and the water, sanitation and hygiene sector

⁴ District Development Authority (DDA) Act 2014; Basic level of service delivery will be through DDA

⁵ In 2015, Provinces, Districts and Local Level Governments received a budget of PGK 3.67 billion (approx. EUR 1.2 B) or 23 % of the national budget. In addition, resources from the District Education Infrastructure Program (PGK 267 M or EUR 90 M) and District Health Infrastructure Program (PGK 178 M or EUR 60 M) are being implemented at the subnational level.

Non-Government Organisations (NGO), International Organisations (IOs) and International Financial Institutions (IFI)

Civil society organisations are representing the rights of different right-holder groups in the action. A number of International NGOs as well as national Faith Based Organisation are supporting WaSH in Bougainville, including World Vision, Plan International, Water for Women and Save the Children. Most of them have ongoing working relations with community based organisations to deliver WaSH services. The only IO currently involved in the sector, mostly with EU funding, is UNICEF, currently implementing two EDF 11 funded “Support to the National WASH Policy 2015-2030” actions, with part 1 focusing on rural WASH in 4 target districts (including Central Bougainville) and part 2 focusing on urban WASH in district towns. The World Bank and the Asian Development Bank (ADB) are the only IFI involved in WasH in PNG, though not in Bougainville.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of SDG6: *'Ensure availability and sustainable management of water and sanitation for all'*, but also promotes progress towards SDG3: *'Ensure healthy lives and promote well-being for all at all ages'* and SDG5: *'Achieve gender equality and empower all women and girls'*. The Action is in line with SDG13: *'Take urgent action to combat climate change and its impacts'* through enhancing adaptive capacity to climate related hazards.

The Overall Objective (Impact) is to improve gender-responsive Water, Sanitation and Hygiene (WaSH) services and practices in the Autonomous Region of Bougainville (AROB).

The Specific Objectives (Outcomes) of this action are:

SO1: To increase the use and maintenance of equitable, safe, adequate and sustainable water water, sanitation and hygiene supply and practices in places of human agglomeration in rural areas of South Bougainville District of AROB.

SO2: To improve governance and institutional capacities of mandated authorities for WaSH service delivery in Bougainville.

Covid-19 awareness will be included at both levels.

The intended outputs of this action will contribute to human development in AROB based on two complementary pillars:

1. Delivering WaSH services to under-served rural communities in the South Bougainville District through a participatory, bottom up community-empowering and –mobilizing approach will provide access to WaSH, a key human right, precondition for human development and essential to address the current COVID-19 pandemic.

2. Building institutional support and capacities, including data and digital technology, of the ABG (starting to take over WaSH policy responsibilities from GoPNG), will enable in the medium term the authorities to fulfil their role and mandate in the sector.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective (Outcome) are:

Output 1.1: Improved provision of safe, adequate, equitable and sustainable WASH facilities in places of human agglomeration (including menstrual hygiene facilities for adolescent girls in schools) in rural areas of South Bougainville District (SBD).

Output 1.2: Increased number of communities in SBD with improved WaSH awareness and practices, including ending open defecation.

Output 1.3: Increased employment opportunities for young women and men in WaSH provision and maintenance through a community based and participatory approach.

Output 2.1: Strengthened institutional framework governance, investment and enabling environment, including through digital data management and multi-stakeholder policy coordination for WaSH service delivery in SBD, including related climate change considerations.

Output 2.2: Improved capacities of the ABG Department of Health and other mandated bodies for inclusive and gender responsive WaSH sector planning, budgeting, implementation and monitoring and sector coordination.

Output 2.3: Improved capacities of institutions and communities for WaSH related conflict prevention, resolution and management.

3.2 Indicative Activities

Activities relating to Outcome 1

The implementing organization will, in consultation with relevant authorities and communities:

- Identify and select priority schools, healthcare facilities, communities and other places of human agglomeration in the rural areas of South Bougainville District through inclusive consultation process with rights-holders
- Support selected beneficiaries/entities in establishing WaSH facilities, including through creation of local employment for women and men, based on accepted standards and designs, including features for environmental consideration and climate change adaptation
- Through advocacy, awareness raising, health promotion and capacity building, support communities in incorporating hygiene practices including ending open defecation, use and maintenance of WaSH facilities
- Mainstreaming climate change in WaSH for beneficiaries including through communication campaigns, customer awareness, the promotion of environment friendly products and practices, community action plans and the exchange of knowledge and good practices

Activities relating to Outcome 2

The implementing organization will:

- Based on a training needs assessment, train, advise and mentor staff of the ABG Department of Health and other mandated bodies including at local levels, for WaSH sector inclusive and gender-responsive planning, budgeting, implementation, monitoring and sector coordination
- Provide basic equipment and support on the improved use of digital tools for WaSH planning, delivery and monitoring
- Support WaSH authorities in developing and implementing sector strategies and implementation plans
- Support the establishment of inclusive multi-stakeholder coordination mechanisms
- Mainstreaming climate change in ABG's WaSH policies and programs

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the EIA (Environmental Impact Assessment) screening

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment). Basic water supply and sanitation systems in rural areas of PNG are small scale and have no major impact on the environment. Basic WaSH infrastructure will include climate change considerations.

Outcome of the CRA (Climate Risk Assessment) screening

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment). The action will strengthen climate change resilience of beneficiaries.

Gender equality and empowerment of women and girls

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the action will ensure that gender is adequately and effectively mainstreamed. Gender equality and social inclusion will be considered throughout the activities of this action. The Action is expected to reduce healthcare costs, decrease the exposure of women and girls to sexual harassment and assault, increase adolescent girls' school

attendance⁶ and reduce drop-outs at onset of menstruation. Women, men, girls and boys will take part in participatory planning, design of WaSH infrastructure, implementation, monitoring and evaluation of project activities. Women/women's organisations will participate in the planning and implementation of WaSH awareness campaigns. Specific gender awareness trainings will be planned prior to construction and local women's groups will be trained and tasked to conduct health and hygiene trainings. In educational facilities and health care facilities, the Action will ensure that there is a balance of the number of males and females who will benefit from having access to WaSH facilities. Young men and women will benefit from local employment opportunities created by the action.

Human Rights

The action will implement at all times the working principles of the human rights based approach, ensuring meaningful and inclusive participation and non-discrimination, and contributing to transparency and accountability. From inception of the programme, the implementing partner will consult and involve local and district government, traditional leaders, community members, health authorities, school authorities and pupils in the planning and decision making processes to guarantee that the planning and implementation of the programme include the views and needs of vulnerable groups. It will take into consideration the rights and needs of specific groups, ensuring no one is left behind. Accessibility to WaSH for persons with disabilities will be guaranteed and land ownership issues related to the project will be dealt with in a fair and appropriate manner.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that the inclusion of persons living with disabilities will be considered. Accessibility to WaSH facilities for persons with disabilities will be guaranteed and taken into consideration in the designs. Organisations representing rights of persons with disabilities will participate in the planning and implementation.

Democracy

Not targeted

Conflict sensitivity, peace and resilience

PNG is undergoing a Conflict Analysis Screening being affected by different types of violence and social conflicts, also related to land and natural resources, etc. Conflict sensitivity and do-no-harm consideration will be considered, at least in relation to social, environmental safeguards in relation to WASH related projects, as well as human rights due diligence. In particular, the risks associated with communal land ownership will be taken into consideration, as well as customary water rights of neighbouring communities, participatory and consultative approaches, and conflict prevention management mechanisms.

Disaster Risk Reduction

Disaster Risk Reduction, Climate change and environmental sustainability will be mainstreamed in the design of WaSH facilities under this action.

Other considerations if relevant

Not applicable

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Planning, processes and systems	Weak institutional capacities and unclear coordination mechanisms between ABG and District level	High	High	The component of the Action addressing capacities (component 2) specifically supports mandated entities at ABG and district levels to establish a framework that will enable authorities to fulfil their mandate in the medium term.

⁶ The ministry of Education mentioned that the lack of sanitation facilities and privacy was the second cause of drop-out (after school fee) for girls aged 11-14.

	authorities in Bougainville			
Planning, processes and systems	Rural communities rejecting the WASH service delivery	Low	Low	Ensuring that communities in the target district will be selected based on prior consultation and consent; that meaningful participation is ensured and that water disputes are addressed, as well as land ownership issues
The External environment	COVID-19 presents a risk of delaying implementation timelines including preventing local travel.	Medium	Medium	Increased adoption of hygiene practices including basic hand-washing and practicing the “Nuipela Pasin” COVID-19 measures in communities is likely to cause reductions in COVID-19 infections. Additionally, by mid 2021, travelling between Bougainville and mainland PNG resumed. Appropriate COVID-19 restrictions and measures are in place with most restrictions already relaxed.

Lessons Learnt:

A review of past interventions supported by the EU and more specifically EDF 9 programmes⁷ and the current EDF 11 rural WASH programme⁸ has demonstrated the following:

- Local ‘champions’ (from communities, institutions and (local) government) are essential to drive and sustain change.
- Involvement of local human and material resources to increase ownership including training of communities’ members for basic O&M of the wash facilities and inclusion of a gender responsive approach.
- Capacity building of rural communities takes time and there is a need for follow up post-construction to ensure smooth operations and maintenance for sustainability purpose.
- Governance, ownership and institutional frameworks have to be clarified prior to implementation of new projects, and have to be integrated with bottom-up and participatory approaches. The integrated approach of water supply, improved sanitation and awareness / training on hygiene and hand- washing practices resulted in improved health and wellbeing of communities, in particular for women and children and a decrease in local conflicts on water and land issues (as applicable).
- Institutional capacity building should be more than the transfer of knowledge and skills only. Institutions also need to build capacity in the sense of making available the necessary human and financial resources.
- Potential sources of conflict in relation to water management need to be solved through appropriate peaceful community-owned conflict resolution mechanisms

⁷ Rural Water Supply and Sanitation Programme 1 and 2 (FED/2005/017-767, FED/2007/019-284) and the District Towns Water Supply Programme (FED/2006/018-524)

⁸ Support to the PNG National WASH Policy 2015-2030 Part 1 Programme (2016/038-956)

3.5 The Intervention Logic

The underlying intervention logic for this action is that:

IF support to rural communities in the South Bougainville District is provided, target schools, healthcare facilities and communities are identified and selected in a participatory manner to benefit from the action, WASH facilities are built with the full engagement of the communities and handed over to identified schools, healthcare facilities and communities, *AND* the relevant stakeholders such as the identified rural communities adopt improved hygiene practices including Open defecation free (ODF) status, *THEN* the target schools, healthcare facilities and communities, including women, men, boys and girls, in all their diversity, in the South Bougainville District will enjoy sustainable, safe and equitable access to improved WASH facilities thus contributing to better education, health and livelihoods of the population, leaving no one behind.

IF the nascent Bougainville administration in charge of WaSH (ABG and district levels) is capacitated to plan, budget, implement and monitor inclusive and gender-responsive WaSH services in Bougainville, IF adequate WaSH data management systems are provided and used, and IF all stakeholders coordinate their activities, then over time the entities in charge will be able to fully exercise their mandate and contribute to the achievement of Bougainville's development strategies in the sector.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Results chain	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	Improved gender-responsive Water, Sanitation and Hygiene (WaSH) policies, services and practices in the Autonomous Region of Bougainville (AROB)	<p>1.1 Proportion of the population (disaggregated by sex, disability status) in targeted rural areas with access to a safe, convenient and sustainable water supply.</p> <p>1.2 Proportion of the population (disaggregated by sex, disability status) in targeted rural areas with access to improved and gender sensitive sanitation facilities.</p> <p>1.3 Mortality rate attributed to unsafe water, unsafe sanitation and lack of hygiene (exposure to unsafe water, sanitation and hygiene for all (WASH) services) (SDG 5.9.2)</p>	1.1, 1.2 & 2, Baseline data to be determined at start of project.	1.1, 1.2 & 2 (2022) Realistic targets, aligned with the Bougainville Strategic Plan and the WASH Policy will be formulated after baseline studies at start of project	<p>1.1 & 1.2 South Bougainville District Development Agency (DDA) Annual Reports, Bougainville DoH and DoE, WASH PMU</p> <p>2. Baseline reports, Annual Health Information Reports, WaSH MIS, Mid-term evaluation and Final evaluation reports</p>	<i>Not applicable</i>
Outcome 1	Increased use and maintenance of equitable, safe, adequate and sustainable water, sanitation and hygiene supply and practices in places of human agglomeration in rural areas of South Bougainville District of AROB	<p>1.1 Number of schools, healthcare facilities and communities in targeted areas with access to clean water and gender responsive sanitation</p> <p>1.2 Number of Certified Open Defecation Free Communities, schools and healthcare facilities in target areas.</p> <p>1.3 Proportion of schools implementing Menstrual Hygiene Management Programme</p> <p>1.4 School dropout rate of adolescent girls</p>	1.1, 1.2, 1.3 & 1.4 (2022) Baseline data specific to AROB will be confirmed at the start of project	1.1, 1.2, 1.3 & 1.4 (2022) Realistic targets, aligned with WaSH policy will be formulated at start of project	<p>1.1 District Improvement Monitoring Systems (DIMS) from the National Statistics Office, reports from implementing partners</p> <p>1.2 & 1.3 Baseline reports, Annual Health Information Reports, Annual, Education Census, Mid- and Final evaluation reports and WaSH MIS</p> <p>1.4 Baseline reports, Annual Health Information Reports, Mid- and Final evaluation reports and WaSH MIS</p>	Political stability remains. ABG and National Government continue to see WASH as a priority and allocate sufficient resources towards the achievement of the respective policy objectives.

Outcome 2	Improved governance and institutional capacities of mandated authorities for WASH service delivery in Bougainville.	2.1 Status of M&E system for Provincial DoH and DoE 2.2 Existence of functional inclusive and gender-responsive Planning Water, Sanitation, and Hygiene sector Planning, Budgeting and financing mechanism (Disaggregated at Provincial and Districts level)	2.1 (2022) No data available 2.2 (2022) No data available.	2.1 (2022) M&E system developed and used by WaSH PMU. 2.2 (2022) Functioning Provincial DoH led coordination mechanism for WASH exist	2.1. & 2.2. WaSH Monitoring Information System	
Output 1 relating to Outcome 1	1.1 Improved provision of safe, adequate, equitable, sustainable and climate resilient WASH facilities in places of human agglomeration (including menstrual hygiene facilities for adolescent girls in schools) in rural areas of South Bougainville District (SBD).	1. No. of rural schools where WaSH infrastructure has been improved/established. 2. Number of healthcare facilities where WaSH infrastructure has been improved/established	1 & 2 (2022) Baseline will be confirmed at start of project	1 & 2 (2022) Realistic targets, aligned with WASH Policy and NEP, for rural schools/health centres will be formulated at start of project	Baseline reports, annual education census, national Health information reports, WASH MIS.	Decision makers at the Provincial/District/Local government levels backed by District Planning for WASH from DSIP funds.
Output 2 relating to Outcome 1	1.2 Increased number of communities in SBD with improved WASH awareness and practices, including ending open defaecation.	1. % of people (disaggregated by sex/ age/ disability status) reached with key hygiene and sanitation messages 2. Number of rural WASH campaigns implemented, including considerations related to climate change 3. Number of consultations with communities to seek engagement and consent on WaSH facilities		1 & 2 (2022) Realistic targets will be formulated at start of project	1 & 2 Baseline reports, KAP surveys, WASH MIS, awareness raising and information materials, monitoring reports, annual reports from implementing partners.	Relevant sector agencies will generate reliable WASH, health and gender specific data. Decision makers at the Provincial/District/Local government levels backed by District Planning for WASH from DSIP funds
Output 3 relating to Outcome 1	1.3 Increased employment opportunities for young women and men in WASH provision and maintenance	1. Number of youths (disaggregated by sex) employed in WASH provision and O&M	1. (2022) Zero baseline data	1. (2022) Realistic targets will be formulated at start of project.	1. Monitoring reports, annual reports from implementing partners.	
Output 1	2.1. Strengthened institutional framework governance,	1 Status of Bougainville departments of Health and other	1. (2022) DoH & DoE,	1. Capacity strengthening	1 & 2. DoH & DoE capacity strengthening	All activities are implemented in

relating to Outcome 2	investment and enabling environment, including through digital data management and multi-stakeholder policy coordination for WASH service delivery in SBD, including related climate change considerations	mandated bodies for WASH, institutional framework strengthening plans. 2 Status of use of digital tools for M&E in Bougainville departments of Health, Education and target DDA	DDA, Capacity development needs to be identified at start of project 2.. (2022) No baseline data	plans developed and implemented by DOH, DOE & target DDA	plans, DDAs capacity strengthening plans, project annual progress reports, monitoring report	conjunction with other donors and implementing partners in support of government (ABG & national Government) led changes and government funding
Output 2 relating to Outcome 2	2.2. Improved capacities of the ABG Department of Health and other mandated bodies for inclusive and gender-responsive WASH sector planning, budgeting, implementation and monitoring and sector coordination. 2.3 Improved capacities of institutions and communities for WaSH related conflict prevention, resolution and management	1. Status of DoH, DOE and DDA capacity strengthening plan	1 & 2. (2022) Zero baseline data	1. (2022) DOH, DOE & DDA capacity strengthening plans developed and implemented	1. DoH & DoE capacity strengthening plans, DDAs capacity strengthening plans, project annual progress reports, monitoring reports	

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the Government of Papua New Guinea

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁹.

4.3.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

The grant will contribute to achieving specific objective 1 of this action. One single grant contract following a Call for Proposals will be awarded to a CSO/NGO that is both highly experienced in the sector and, through local partners, deeply rooted in the target communities.

(b) Type of applicants targeted

This grant will target international CSOs/NGOs. Applicants should be able to demonstrate their capacity to implement a human rights based approach to water and sanitation and mainstream gender.

4.3.2 Direct Management (Procurement)

The procurement will contribute to achieving specific objective 2 of this action, through a service contract (technical assistance).

4.3.3 Indirect Management with an entrusted entity

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: expertise and experience in the specific area, financial and operational capacity, presence in the country and experience with the implementation of EU funded programmes/projects.

The implementation by this entrusted entity will contribute to achieving objective 2 of the action.

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

⁹ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf. section 4.3	
Grants – total envelope under section 4.3.1	3 800 000
Procurement – total envelope under section 4.3.2 <ul style="list-style-type: none"> ○ Service contract (Technical Assistance) 	1 000 000
Indirect Management with an entrusted entity under section 4.3.3	200 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	0
Contingencies	0
Total	5 000 000

4.6 Organisational Set-up and Responsibilities

A Project Steering Committee (PSC) will be established for the Action. The PSC will meet at least bi-annually and more often if needed. The Government of PNG and the EU will jointly co-chair the PSC, members of which will include: Bougainville Department of Health, Bougainville Department of Education, WASH PMU, and Department of Provincial & Local Government Affairs (optional the District Development Authority of South Bougainville District).

The PSC will be the body responsible for the general oversight, policy guidance and monitoring of the Action; and its decisions will be based on agreement by consensus. The Delegation will maintain a key role in monitoring and overview of the Action. The Procurement (Service contract) component will be implemented by the Delegation using the direct management modality.

Demonstrated gender equality and human rights based approach (HRBA) expertise will be ensured during the implementation of the action. Gender equality and HRBA will be also integrated in relevant technical assistance and capacity building activities and documents (ie. ToRs etc) as a minimum requirement of expertise.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of

achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring: It is envisaged that the implementing partners will be responsible for monitoring and reporting on the indicators of the logframe matrix, including the collection of baseline data during the inception phase and general data collection. Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights based approach and gender equality.

Monitoring and evaluation will assess HRBA principles (meaningful and inclusive participation and access to decision-making, non-discrimination and equality, accountability and rule of law; based on gender-responsive indicators and indicators that are disaggregated by sex, age and disability when applicable).

Demonstrated gender equality and HRBA expertise will be ensured in M&E teams.

5.2 Evaluation

Having regard to the nature of the action, a mid-term and final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

A mid-term evaluation will be carried out for problem solving and learning purposes. A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision) taking into account in particular the fact that lessons learned might be used for possible future similar activities.

The Commission shall inform the implementing partner at least 3 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract. The financing of the evaluation may be covered by another measure constituting a Financing Decision.

All evaluations shall assess to what extent the action is considering the human rights based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources

will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

An Intervention¹⁰ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as:

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action

¹⁰ [Ares\(2021\)4450449](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).