

VARS Project Etas Subdivision - EIA Summary

Purpose of the EIA

This Environmental Impact Assessment (EIA) supports Subcomponent 1.1 of the Vanuatu Affordable Resilient Settlement (VARS) Project. It identifies and assesses the potential environmental and social risks, evaluates alternatives and proposes mitigation and monitoring measures for a proposed subdivision at Etas, Efate. The assessment includes ancillary infrastructure and associated facilities.

This EIA has been prepared on behalf of the environmental permit applicant, the Ministry of Lands and Natural Resources (MoLNR). The MoLNR is working through a dedicated Project Management Unit (PMU) that is managing all the project components including the proposed subdivision. Project design, technical studies and supporting documentation and design documents have been prepared by the contracted Design and Supervision Specialists (DSS) Beca and their subcontractor Calibre Project Managers has contracted Iain Haggerty, a registered EIA Consultant to prepare the EIA.

The EIA provides a baseline overview of existing environmental and social conditions and predicts potential impacts—both qualitative and quantitative—arising from the project. It outlines measures to avoid, reduce, or remedy adverse effects. It also reviews relevant national legislation and other international requirements. Institutional roles and responsibilities for environmental and social management are defined. The EIA is presented to DEPC and GoV regulators for their consideration and decision under the EPC Act and EIA regulations.

Project Description

The VARS project has four components: Component 1: Affordable and Resilient New Settlement Development; Component 2: Affordable and Resilient Settlement Upgrading; Component 3: Strengthening Institutional Capacity for Implementation and Sustainability, and Component 4: Contingent Emergency Response.

This EIA assesses Subcomponent 1.1 of VARS being a 130-lot subdivision located at Etas on the island of Efate, Shefa Province, Vanuatu. The location is some 6.5 kms east of the capital Port Vila.

The site will be developed into affordable, climate-resilient residential lots with supporting infrastructure: roads, stormwater drainage, septic wastewater collection, solid waste management, and solar-powered street lighting. While the design reserves space for a community market, government precinct, and recreation area, these facilities are not part of the current development. However, associated risks have been assessed in this ESIA.

Key Findings

The project is expected to have **limited off-site environmental and social impacts**, most of which can be mitigated effectively through standard management practices.

- **Environmental impacts** are largely confined within the site boundary. Short-term impacts include increased traffic, dust, and noise, especially during peak construction phases.
- **Social impacts** are minimal due to the rural setting, low surrounding population, and absence of informal land use. However, **schoolchildren regularly pass the site**, requiring specific safety measures.
- **Temporary external impacts** may occur during off-site drainage and road junction works. These involve disruptions along Etas Road and require traffic and pedestrian safety controls.

Consultation and Disclosure

A public disclosure of this EIA was held on 22 July 2025 at Etas. Custom Landowners were invited to a custom ceremony on the site in November 2023 and an official ground-breaking ceremony was held in September 2024. In-depth consultations and negotiations with custom owner lessors commenced on 17 June 2025. An EIA summary has been translated into Bislama and made publicly available through the Shefa Provincial council, the MoLNR and online through the Ministry of Lands and Natural Resources (MoLNR) website.

Hard copies of the complete EIA are available for review at MoLNR front desk and at the MoLNR Resource Centre, which houses the Project Management Unit (PMU) office and at Department of Environmental Protection and Conservation (DEPC) and Shefa Provincial Government Council (SPGC).

Impacts and Mitigation Measures:

The project site has been assessed for environmental and social impacts. Key findings include:

Flora and Fauna:

The site is a former plantation that has been overgrown and recently cleared. No critical habitats or endangered species were identified within the immediate project area, however; some common species and native vegetation will be affected by the development of the site.

Mitigation Measures:

- Preservation of large trees and trees of cultural significance. A total of seven banyan trees (three large trees and four smaller trees) has been preserved on the site along with at least 40 other trees of differing maturity and sizes, the latter primarily located in the escarpment area.
- Preservation of a significant green space within the subdivision (21.1% of total area as green space).
- Rehabilitation to include planting native tree species in community purpose areas around the site to offset vegetation loss.
- Implementing erosion control measures to prevent sedimentation of drains and instability.
- Requiring construction activities, in particular bulk earthworks, to be programmed to minimise habitat disturbance.

Social and Community:

The site is state-leased and unoccupied. No economic or physical displacement is anticipated. Adjacent properties are over 30 meters away.

Construction-phase risks include:

- Disruption from construction traffic on Etas Road.
- Potential safety concerns from an influx of workers, including the risk of **sexual exploitation, abuse and harassment (SEAH)**.
- Possible cultural tensions or misunderstandings between workers and local communities.
- Need to safeguard nearby schoolchildren and ensure community cohesion.

Mitigation measures include:

- Local recruitment prioritization.
- Mandatory Community Liaison Officer (CLO) to facilitate engagement and implement the Help Desk grievance mechanism.
- SEAH and HIV awareness and prevention training for all workers.

- Community health and safety plan including dust suppression, noise reduction, and road safety signage.
- Gender-inclusive employment opportunities encouraged.
- Project signage to display contact information for public inquiries.

Legal and Regulatory Compliance:

The findings of this ESIA confirms that the project complies with:

- **Vanuatu's Environmental Protection and Conservation Act:** An Environmental Permit has been applied for, with this ESIA forming the basis of the required EIA.
- **Land Subdivision Policy and Building Code:** Ensuring infrastructure and safety standards.
- **World Bank ESF:** The project aligns with seven Environmental and Social Standards, including ESS1 (Assessment and Management of Risks), ESS4 (Community Health & Safety), and ESS10 (Stakeholder Engagement).

All construction activities will proceed only after securing the necessary environmental permits and ensuring ongoing monitoring, reporting, and compliance with contractual and legal obligations.

As of 24 June 2025 the subdivision design— minimum lot sizes, road widths, and frontage requirements—became compliant with Sections 46 and 47 of the Land Surveyors Regulations. The Ministry of Lands and Natural Resources prepared a regulatory amendment (proposed new Regulations 46A and 47A), which will enable the Etas site to legally offer smaller lot sizes within a rural setting. This legal adjustment is necessary to ensure full compliance with Vanuatu's land development framework. The amendment was officially gazetted on 24 June 2025

All construction activities will proceed only after securing the necessary environmental permits and formalizing the regulatory amendment, alongside ongoing monitoring, reporting, and compliance with contractual and legal obligations.