

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Tonga	Project Title:	Cyclone Ian Recovery Project
Lending/Financing Modality:	Emergency Assistance Project	Department/ Division:	Pacific Department Transport, Energy, and Natural Resources

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: general intervention

A. Links to the National Poverty Reduction and Inclusive Growth Strategy, and Country Partnership Strategy

The Tonga Strategic Development Framework, 2011–2014 seeks to develop and promote a just and progressive society. Among other things, this effort depends on community participation; providing proper infrastructure in support of development; and the mainstreaming of environmental sustainability, disaster risk management, and climate change adaptation.

The Asian Development Bank (ADB) country operations business plan, 2014–2016 for Tonga is aligned with both the Tonga Strategic Development Framework and ADB's Pacific Approach 2010–2014, which serves as ADB's country partnership strategy for Tonga.^a The country operations business plan provides for strategies to promote the use of renewable energy and the integration of environmental sustainability, disaster risk management, and climate change adaptation in national policy planning and implementation.

The proposed Cyclone Ian Recovery Project is an emergency assistance operation that meets the eligibility criteria set out in ADB's Disaster and Emergency Assistance Policy.^b The government formally requested emergency assistance under ADB's Disaster Response Facility (DRF) on 7 February 2014. Under ADB's policy to pilot the DRF, which became effective on 1 January 2013,^c a developing member country that is eligible for Asian Development Fund resources can access up to 100% of its annual performance-based allocation from the DRF to respond to a disaster.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. **Key poverty and social issues.** The economy of the Ha'apai island group where the project is to be implemented is based on subsistence agriculture. About 23.0% of the people are estimated to live below the basic needs poverty line, and 2.0% experience food poverty. The damage from Cyclone Ian is expected to cause a short-term increase in poverty because of (i) the destruction of the subsistence agricultural crops, fishing opportunities, and inputs for handicraft production on which most households rely; and (ii) the disruption to private sector businesses, including trade stores and tourism, with a consequent reduction in jobs. Total losses via these channels are expected to reach almost \$8.0 million. The scale and impact of these losses relative to current incomes are substantial, since Ha'apai provides few other ways to generate income. Based on data from a 2009 household income and expenditure survey, average annual household income is about \$11,548, and total subsistence and cash income is about \$11.6 million. This suggests a loss of income of about 68% for 2014.^d Without remedial action by the government and Tonga's development partners, the effects of the cyclone are likely to cause a significant increase in poverty and hardship.

2. **Beneficiaries.** The primary beneficiaries will be the people of Ha'apai. A social survey conducted during the project preparatory technical assistance for the Outer Island Renewable Energy Project (OIREP)^e in April and July 2012 showed that communities in the outer islands identify a lack of employment and other income-earning opportunities as the main cause of hardship. Other causes cited included land scarcity, family and community obligations, poor health, and poor family budgeting. The groups most vulnerable to hardship include children, youth, women, the disabled, and the elderly. The project will contribute to social and human resource development, and reduce hardship by mitigating the adverse impacts of Cyclone Ian on communities in Ha'apai. It will also help to protect lives and assets from erosion, floods, and storm surges in the future, as well as improve opportunities for business and jobs and social development in the island group.

3. **Impact channels.** Output 1 of the project will restore access to an electricity supply network and make the network more resilient to extreme weather and disasters. The project will reconstruct the distribution network and upgrade its capacity from 6.6 kV kilovolts to 11.0 kilovolts. This will include the rebuilding about 15.2 kilometers (km) of high-voltage overhead bundle lines, constructing about 32 km of low-voltage overhead lines, reconnecting the underground cables of about 1,000 households and 30 commercial and government buildings to the Tonga Power Limited network, and constructing 2 km of underground cables of the Ha'apai Hospital and High School network. The project will also restore and climate-proof about 161 streetlights and purchase temporary solar lanterns and

community solar chargers for about 100 households in the outer Ha'apai islands.

Output 2 will support the reconstruction, restoration, and climate- and disaster-proofing of schools and facilities that were damaged in Ha'apai. This will include (i) constructing improved building structures (classrooms and staff quarters); (ii) providing appropriate water and sanitation amenities for schools; and (iii) installing necessary fixtures and furniture such as blackboards, desks, and chairs. This will allow classes to resume in a safe environment that is conducive to learning; in the future, it will reduce the number of days that schools are closed because of extreme weather and natural disasters. The reconstruction will be implemented in two phases. Primary schools will be rebuilt first as most of them are government owned, were severely damaged, and serve half of the affected student population. Secondary schools will be selected for reconstruction in line with the government's secondary school rationalization policy and with the agreement of ADB.

Output 3 will support the removal of material containing asbestos from damaged schools, Niu'ui Hospital, government offices, and residential buildings. An assessment by the World Bank identified the presence of asbestos in these buildings. Since local knowledge on safe handling of asbestos is limited and Ha'apai does not have a site to dispose of asbestos, it will be removed to Tongatapu. This output will allow reconstruction works to be carried out safely.

4. Design features. The project will help protect lives and assets from future erosion, floods, and storm surges. It will improve opportunities for business and jobs and social development in Ha'apai. The project will be carried out using implementation arrangements established for two existing projects—the OIREP for the power sector reconstruction component and the Climate Resilience Sector Project (CRSP) for the education sector reconstruction component. The project will (i) strengthen the capacity of vulnerable communities and relevant sectors to support transformation to a climate-resilient development path; and (ii) strengthen climate proofing of critical infrastructure, supported by the communities and sectors affected by Cyclone Ian.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation.

Continual formal and informal consultations will be held with government agencies, civil society, and residents of project areas. Community leaders and government officials will be consulted throughout the design, implementation, and monitoring of the project. Consultation with beneficiary communities will be carried out through interviews, focus group discussions, and community meetings. The preparation of Tonga's Cyclone Ian Response Plan involved the government, civil society, nongovernment organizations, and development partners.

2. If civil society has a specific role in the project, summarize the actions taken to ensure participation.
Not applicable.

3. Explain how the project ensures adequate participation of civil society organizations in project implementation.
Not applicable.

4. What forms of civil society organization participation is envisaged during project implementation?
(H)Information gathering and sharing (M) Consultation (L) Collaboration (L) Partnership

5. Will a project level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable?
 Yes. No.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: No Gender Elements

A. Key issues.

The poverty, social, and gender analyses undertaken for both the OIREP and CRSP found that women had a high degree of equality in access to education, health services, and jobs. Women have a literacy rate of 99.3%, compared with 99.2% for men.

However, only 30% of women are employed and 40% are underemployed (engaged in subsistence farming, fishing, and handicrafts). Only men can own land. The gender of the head of household plays a small role in determining the likelihood of a household being in poverty. Nationally, about 25% of households are led by women, but the proportion is almost 30% in the capital, Nuku'alofa. Women are the main income earners in most households and manage household income, expenditure, and activities in most households consulted. They are active members of churches and community development groups. They also contribute to agricultural output, although this is not captured by official statistics because the subsistence farming work they perform is largely informal.

Given their roles as household managers, women are trying to use energy more efficiently, for example, by turning off

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- ^a ADB. 2013. *Tonga: Country Operations Business Plan, 2014–2016*. Manila; Government of Tonga. 2011. *Tonga Strategic Development Framework, 2011–2014*. Nuku'alofa; and ADB. 2009. *ADB's Pacific Approach, 2010–2014*. Manila.
- ^b ADB. 2004. *Disaster and Emergency Assistance Policy*. Manila.
- ^c ADB. 2012. *Piloting a Disaster Response Facility*. Manila.
- ^d Government of Tonga. 2011. *Household Income and Expenditure Survey 2009 Report*. Nuku'alofa.
- ^e ADB. 2013. *Report and Recommendation of the President to the Board of Directors: Proposed Grant and Administration of Grant to the Kingdom of Tonga for the Outer Island Renewable Energy Project*. Manila.