Tonga: Climate Resilience Sector Project

Project Name	Climate Resilience Sector Project	
Project Number	46351-002	
Country	Tonga	
Project Status	Active	
Project Type / Modality of Assistance	Grant	
Source of Funding / Amount	Grant 0378-TON: Climate Resilience Sector Project	
Amount	Strategic Climate Fund US\$ 19.25 millio	on
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Partnerships	
Sector / Subsector	Multisector - Multisector	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	The purpose of the Project described below (the Project) is to implement the Strategic Program for Climate Resilience (SPCR) prepared by Tonga under phase II of the Pilot Program for Climate Resilience (PPCR). The Project will mainstream climate resilience into development planning and address country priorities focusing on the most vulnerable sectors and communities. The Project will (i) build capacity in climate change adaptation and disaster risk management at community, sector and national levels; (ii) provide information, tools, and legislative frameworks needed to introduce climate change consideratio into government and sector planning and budgeting processes; and (iii) provide access to resources (technical, human, financial) to address the climate change risk priorities of the Government, as well as those of vulnerable communities through a combination of soft and hard measures. This will lead to a progressive increase in the resilience of ecosystems and infrastructure; the foundations of the country's sustainable development aspirations. The Project will be financed on a grant basis from the Strategic Climate Fund which is one of two funds within the design of the Climate Investment Fund.	r n) ons s

Project Rationale and
Linkage to
Country/Regional Strategy

Tonga reported that all key sectors are likely to be significantly affected by climate change, with major environmental, economic, and social consequences. Particular concerns include impacts on agricultural production, water supply, and coastal infrastructure and resources. The effects of climate change are exacerbating natural hazards such as tsunamis, cyclones, coastal flooding, and droughts. Over the last few decades, Tonga observed a higher variability of rainfall causing localized flooding as well as droughts related to El Nino events. Increased ocean temperatures have caused coral bleaching and destruction of habitats for reef species. Sea level rise, estimated in the order of 6 millimeter/year, is contributing to coastal erosion and subsequent damage to infrastructure and properties . Increased exposure to tropical cyclones and storm surges have caused significant economic losses to Tonga's economy (e.g. tropical cyclones Waka in 2002 and Rene in 2010 inflicted losses of \$60 million and \$22 million respectively). Tonga has a 50% chance of experiencing an annual loss exceeding \$175 million and casualties larger than 440 people due to natural hazards .

While there is country commitment and a national strategy-the Joint National Action Plan (JNAP) on Climate Change Adaptation and Disaster Risk Management-to address climate and related disaster risk challenges facing Tonga, efforts to date have been constricted due to severe resource-constraints. During the design and capacity building phase of the PPCR, the Government of Tonga and other stakeholders identified impediments to a more effective response including: (i) a limited pool of qualified and trained experts to mainstream climate change adaptation and disaster risk management at community, sector, and national levels; (ii) lack of information, tools, and legislative frameworks for relevant sectors and stakeholders to develop and implement adaptation strategies; and (iii) challenges in accessing adequate climate change financing for priority adaptation needs. This requires a systematic and integrated approach toward climate change resilience and disaster risk reduction. The Project will build on training provided to government representatives and other stakeholders to undertake risk and capacity assessments under Phase I.

The Asian Development Bank (ADB) has developed a strong partnership with the Government of Tonga. Both ADB's Pacific Approach 2010-2014 , and country operations business plan 2015-2017 for Tonga , emphasize the need for integration of climate change adaptation and disaster risk management to deal with climate-induced natural disasters. Current ADB programming under the Integrated Urban Development Sector Project, Implementing Strategic Economic Management Technical Assistance, and Public Finance Management Road Map provides ADB with a clear understanding of the challenges Tonga faces in mainstreaming climate change considerations into government operations. This includes the need for increased capacity, coordination, whole-of-government involvement, donor harmonization as well as consideration of recurrent costs for the sustainability of critical investments.

The Pacific Infrastructure Advisory Center of the Pacific Regional Infrastructure Facility has been providing technical assistance for the development of a National Infrastructure Investment Plan (NIIP) which outlines the Government of Tonga's priorities and plans for major economic infrastructure initiatives over the next 5 to 10 years. A review of the NIIP supported by the Pacific Infrastructure Advisory Center, is planned for the last quarter of 2012 and will provide a broad assessment of the potential risks and vulnerability of economic infrastructure to climate change and natural disasters, based on existing studies and materials. This will form the basis for the identification of key sectors as well as the prioritization of critical climate proofing needs of infrastructure investments to be targeted under the SPCR.

Impact Increased resilience of vulnerable communities to climate variability and change, and disaster risk in Tonga.

Project Outcome

Description of Outcome	Strengthened capacity of government and communities to finance, develop, monitor, and implement investments to improve ecosystem resilience and climate proof critical infrastructure.
Progress Toward Outcome	The first consulting package of PMU consultants and PIU consultants for climate change and environment division was signed on 12 Feb 2016 and the firm mobilized on 14 March 2016. PMU inception report was submitted on 8 July 2016 incorporating ADB comments. ADB issued a no objection for variation 1 to PMU to include Integrated Water Resource Management (IWRM) under the MLNR. The second package of design and supervision consultants for the PIU Civil engineering division contract was signed on 26 April 2016 and the firm mobilized on 15 May 2016. PIU inception report was submitted on 14 July 2016. The status of individual consultant recruitment is completed. The new national program coordinator was recruited on 25 February and the webpage designer on 22 March 2016. The 5 individual consultant contracts for MAFFF PIU have also been finalized. ADB issued a no objection to finalize CCTF Operational Manual on 16 August 2016, and is now awaiting disbursement of funds upon conditions being met by the government.
Implementation Progress	5

 Climate resilience mainstreamed into development planning of vulnerable sectors.
2. Monitoring and management of climate data and information improved.
3. Sustainable financing mechanism to support community-based climate responsive investments.
Ecosystem resilience and climate-resilient infrastructure investments developed.
5. Project successfully Managed and Implemented.

Geographical Location

Safeguard Categories

Environment	В
Involuntary Resettlement	С
Indigenous Peoples	С

Summary of Environmental and Social Aspects

Environmental Aspects	The Project has three ~main components; (i) capacity building; (ii) climate change financing; and (iii) climate proofing of infrastructure and ecosystem resilience. Component 3 is the most environmentally sensitive and includes as one activity the construction of rock walls and the planting of mangroves to reduce the impacts of sea level rise, storm surge and storm events on local communities and linear infrastructure.
Involuntary Resettlement	The Project has three main components; (i) capacity building; (ii) climate change financing; and (iii) climate proofing infrastructure and ecosystem resilience. Core sub-projects identified under component 3 do not require Involuntary Resettlement (IR). A Land Acquisition Resettlement Framework however will still be done for any unanticipated IR issues if they should arise in implementation with potential candidate subprojects
Indigenous Peoples	The project is not expected to impact any distinct and vulnerable group of indigenous peoples as defined under ADB's Safeguard Policy Statement. The beneficiaries in the project sites are part of mainstream Polynesian society and are not discriminated upon due to their language, skin color, or traditional practices. All project outputs will be delivered in a culturally appropriate and participatory manner
Stakeholder Commun	ication, Participation, and Consultation
During Project Design	Under the previous CDTA (RETA 7827) resulting in Tonga's SPCR, several methods were used to consult with stakeholders in Tonga: meetings and workshops, semi-structured interviews with industry representatives (private sector, environment and other non-government organizations (NGOs), media, insurance, Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications (MEIDECC) staff), focus groups in Vava'u, and a household survey of vulnerable communities in Vava'u and Tongatapu. Further engagement with the above stakeholders in the project is envisaged through additional workshops during project implementation.
During Project Implementation	

Responsible Staff

Responsible ADB Officer	Fay, David R.
Responsible ADB Department	Pacific Department
Responsible ADB Division	Pacific Subregional Office in Suva, Fiji
Executing Agencies	Ministry of Finance and National Planning Vuna Road Nuku'alofa Kingdom of Tonga

Timetable

Concept Clearance	19 Dec 2012
Fact Finding	08 Jul 2013 to 19 Jul 2013
MRM	06 Sep 2013
Approval	09 Dec 2013
Last Review Mission	-
Last PDS Update	30 Sep 2016

Grant 0378-TON

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
Approval	Signing Date	Ellectivity Date	Original	Revised	Actual
09 Dec 2013	25 Feb 2014	12 Mar 2014	30 Jun 2019	-	-

Financing Plan		Grant Utilization			on
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	23.13	Cumulative Contract Awards			
ADB	0.00	09 Dec 2013	0.00	10.42	54%
Counterpart	3.88	Cumulative Disbursements			
Cofinancing	19.25	09 Dec 2013	0.00	8.23	43%

Project Page	https://www.adb.org/projects/46351-002/main	
Request for Information	http://www.adb.org/forms/request-information-form?subject=46351-002	
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