



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 12-May-2020 | Report No: PIDISDSA29347



BASIC INFORMATION

A. Basic Project Data

Country Tonga	Project ID P174077	Project Name Tonga Climate Resilient Transport Project Additional Financing	Parent Project ID (if any) P161539
Parent Project Name Tonga Climate Resilient Transport Project	Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 13-May-2020	Estimated Board Date 15-Jun-2020
Practice Area (Lead) Transport	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance and National Planning	Implementing Agency Ministry of Infrastructure, Ministry of Finance

Proposed Development Objective(s) Parent

Improve the climate resilience of the Recipient's transport sector, and in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

Components

- Component 1: Sectoral and Spatial Planning Tools
- Component 2: Climate Resilient Infrastructure Solutions
- Component 3: Strengthening the Enabling Environment
- Component 4: Contingency Emergency Response

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	2.90
Total Financing	2.90
of which IBRD/IDA	2.89
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	2.89
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IDA Grant	2.89
Environmental Assessment Category	
B-Partial Assessment	
Decision	
The review did authorize the team to appraise and negotiate	

Other Decision (as needed)

B. Introduction and Context

Country Context

1. The Kingdom of Tonga (Tonga) consists of 169 Islands, 36 of which are inhabited, and a total population of around 107,000¹. The country lies in the South Pacific and stretches over a distance of about 800 kilometers from north to south, covering a total land area of 748 square kilometers with an Exclusive Economic Zone (EEZ) of about 700,000 square kilometers.
2. Around three quarters of the population are based on the main island of Tongatapu, while other major islands and island groupings include 'Eua, Ha'apai, Vava'u and the Niuas². Tonga's location makes it one of the most geographically remote nations from major centers of economic activity in the world.
3. Extreme poverty across Tonga is negligible, but significant numbers live in hardship. Gross Domestic Product (GDP) per capita is US\$ 5,320 at 2016 Purchasing Power Parity (PPP). According to preliminary estimates from the 2015/16 Household Income and Expenditure Survey (HIES), 0.95% of the population live with less than US \$1.90 per day, with poverty in male headed households (0.97%) marginally higher than in female headed households (0.89%). While there are very few people in abject poverty in Tonga, "hardship" or lack of cash for basic goods is typically a more widespread concern. Rural populations are more likely to live in poverty than those in urban areas.
4. The potential for high economic growth in Tonga is constrained by inherent high cost structures. Over the past two decades, per capita GDP has grown by 1.1 percent per year, compared to 2.3 percent globally. This is marginally above the average for the group of small Pacific islands, which on average grew at 0.9 percent over the same period, though lower than any other region across the globe. Small size and remoteness combine to push up the cost of economic activity in Tonga, limiting the competitiveness of its goods and services in world markets. A high dependence on imports also renders the archipelago vulnerable to external economic shocks, such as food and fuel price spikes.

¹ World Bank Open Data. 2016.

² See Annex 6 for map of Tonga



5. Climate change is already impacting Tonga, with sea levels rising well above the global average, already having forced several communities to relocate and requiring regular reconstruction of local infrastructure. Since 1997 Tonga has experienced approximately 15 significant natural disasters. The most recent severe weather system to hit Tonga, Tropical Cyclone Gita (February 2018), caused widespread damage and losses across Tongatapu and 'Eua. The World Bank was instrumental in supporting the Government of Tonga (GoT) with the Post Disaster Rapid Assessment for the cyclone. The total economic value of the effects caused by Tropical Cyclone Gita was estimated to be approximately Tonga Pa'anga³ \$356 million (US\$164 million), which is equivalent to 37.8 percent of the nominal gross domestic product (GDP) in Tonga⁴. Tonga's transport infrastructure and networks (land, maritime and aviation) suffered limited damage from the cyclone. Damage was concentrated in central Nuku'alofa in areas where port and airport operations are based. Damage (T\$2.3m, US\$1.01m) and losses (T\$0.8m, US\$0.35m) to the transport sector constituted 1 percent of total damage and losses from the cyclone. Notwithstanding the destroyed physical assets, the negative impact of the disaster will impact on overall economic conditions for several years to come.

Sectoral and Institutional Context

6. With its remote location, small population size and dispersed islands, Tonga faces many geographical challenges in developing and maintaining sustainable internal, regional and international transport and communication linkages. These linkages are crucial to the economic development and social well-being of its population. In terms of climate resilience, Tonga is ranked second in the world for disaster risk using an index combining exposure and vulnerability⁵. The transport network faces a range of issues that increase vulnerability such as: (i) exposure to sea-level rise, storm surge, and wave action during cyclones and tsunamis; (ii) flooding and landslides associated with extreme rainfall events; (iii) damage from earthquakes; and, (iv) accelerated pavement deterioration due to extreme weather and rising water tables. Having a well-maintained and climate resilient transport system is vital for not only responding to these events through evacuations and getting emergency services to where they are needed, it is also important for Tonga's longer-term recovery through access to basic services and economic opportunities.

7. The recent World Bank *Climate and Disaster Resilient Transport in Small Island Development States (SIDS) Report* has shown that improved maintenance is the most efficient climate resilient transport policy and can help Tonga avoid 18 percent of well-being and asset losses due to extreme weather events, followed by more resilient construction standards⁶. The 2013 report *Challenging the Build-Neglect-Rebuild Paradigm*⁷ recognized that the failure to manage and maintain infrastructure assets in Pacific Island Countries (PICs), including Tonga, has resulted in widespread premature deterioration of infrastructure to states such that it is very costly to rehabilitate. As described in the report, "every dollar of routine maintenance that is deferred will end up costing \$5 in repairs, or ultimately, \$25 in rehabilitation or replacement as the asset declines overtime." Accordingly,

³ Also written in PAD as TOP, or T\$

⁴ The share is calculated for the nominal 2017 GDP, which is estimated at T\$941.9 million.

⁵ World Risk Report. United Nations University, 2016.

⁶ Climate and Disaster Resilient Transport in Small Island Developing States: A Call to Action. World Bank, 2017.

⁷ Infrastructure Maintenance in the Pacific: Challenging the Build-Neglect-Rebuild" Paradigm. PIAC (Pacific Infrastructure Advisory

Centre). 2013.



climate resilient construction and maintenance standards will be a focus of the Tonga Climate Resilient Transport Project (TCRTP).

8. Tonga has 6 domestic airports, 2 of which are both domestic and international and the other 4 serving only domestic travel, 6 interisland ferry ports and 471 km of classified roads and 409 km of community or agricultural roads across all inhabited islands. The country is faced with limited capital resources and asset deterioration, combined with financial and administrative constraints.

9. Road sub-sector. The 2008-2018 World Bank-supported Tonga Transport Sector Consolidation Project (TSCP) has made significant progress in addressing key constraints in the road transport sub-sector. Work has included a major institutional reform program which led to: (i) ongoing divestment of non-core activities, (ii) establishment of asset management capabilities (Tonga Road Maintenance System), (iii) enhanced regulatory and enforcement capabilities (maritime and aviation), (iv) the establishment of the Road Maintenance Fund, (v) a concession of the Ministry of Infrastructure (MOI) quarry to the private sector, and (vi) leasing of heavy equipment to the private sector. After many years of limited or no maintenance, the TSCP helped train and establish domestic Tongan road contractors and established a regular investment program in road maintenance. This work had yielded a number of developing contractors, who are undertaking routine and periodic maintenance of the road network with good quality and appropriate equipment. Notwithstanding this progress, there are still substantial improvements to be made on both MOI and industry sides. Currently the approach is to tender yearly contracts which can be administratively heavy and time consuming for MOI, leading to delays and backlogs. Rehabilitation/reconstruction activities are contracted separately to maintenance which limits the incentive for the rehabilitation/reconstruction contractor to do a high-quality job as they are often not the same contractor responsible for maintenance. The GoT *2017 Transport Sector Review* suggested that the addition of multi-year contracts would encourage contractors to perform well, ensure continuity of maintenance, and avoid or minimize procurement costs and time⁸. International experience has also shown that these contracts can build contractor capacity through committed income, allowing them to purchase equipment and train staff. Noting this, and aforementioned known benefits to climate resilience that maintenance has, the project intends to introduce area-wide, multi-year, combined periodic and routine maintenance, with limited performance-based criteria.

10. Maritime sub-sector. Responsibility for maritime ports is split on geographical bounds, with the state-owned Ports Authority Tonga (PAT) managing and operating the Queen Salote Wharf in Nuku'alofa, Tongatapu and with the MOI managing all ports in the outer islands. The port system meets basic needs for coverage, compliance and capacity, but the condition of infrastructure has deteriorated from insufficient investment.

11. Aviation sub-sector. All airports in Tonga are operated and managed by the state-owned Tonga Airports Limited (TAL). The airports provide sufficient coverage to all island groups. The World Bank was involved in the improvement of Lupepau'u International Airport (Vava'u) and Fua'amotu International Airport (Tongatapu) through the Tonga Aviation Investment Project (TAIP). The New Zealand government funded the improvement of 'Eua Airport in 2011/12.

12. All Tongan transport sectors including maritime and aviation currently lack efficiency and climate resilience. An example of inefficiency is that households in Vava'u and Ha'apai respectively spend 8.3 and 9.6 percent of their income on supply chain costs for imports, approximately twice that of Tongatapu (4.7 percent)⁹.

⁸ Transport Sector Review. 2017. Government of Tonga.

⁹ Tonga Inter-Island Transport Connectivity: Country Report. PRIF. 2017.



13. **Policy Context:** The Tonga Strategic Development Framework (2015-2025) provides an overarching framework for the long-term development of Tonga and identifies “more reliable, safe and affordable transport services on each island, connecting islands and connecting the Kingdom with the rest of the world by sea and air, to improve the movement of people and goods” as a key pillar for this development. On climate resilience, the 2016 Tonga Climate Change Policy notes the importance of resilient roads to the country, listing this as its second highest priority.

14. **COVID-19 Context:** An outbreak of COVID-19 caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spread across the world. The severe infectious nature of COVID-19 has raised the immediate need for strengthened health security.

15. The Government of Tonga (GoT) on March 20, 2020 declared at state of emergency because of the risks of COVID – 19, Annex 2. As of April 23, 2020, the COVID-19 global outbreak has resulted in an estimated 2,624,846 confirmed cases and 183,120 deaths in 213 countries¹⁰. Tonga remains one of the less than 20 countries without a confirmed COVID-19 case, but the risks are high that COVID-19 could spread widely and rapidly, should the disease reach the country.

16. Over the coming weeks and months, the global outbreak has the potential to affect Tonga on the health side with COVID cases and potential of loss of life. Significant disruptions in global and regional supply chains, higher prices, and economic losses in Tonga’s market countries will also be felt internally as Tonga relies heavily on imported goods and services. Remittances will be affected and border closures and travel restriction are also significantly affecting the tourism industry, which Tonga’s economy and households heavily rely on.

17. COVID-19 has raised the immediate need for strengthened health systems in Tonga. The country has high rates of non-communicable diseases, smoking and obesity. These diseases increase vulnerability to severe COVID-19 (and other infections), therefore putting the population of the Tonga at high risk should COVID-19 reach the country. A COVID-19 outbreak would place considerable constraints on an already challenged health system, and Tonga currently has limited ability to prevent, detected and control a COVID19 outbreak.

C. Proposed Development Objective(s)

Original PDO

Improve the climate resilience of the Recipient's transport sector, and in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

Current PDO

No change to Original PDO as a result of additional financing.

¹⁰ John Hopkins University & Medicine – Coronavirus Resource Centre



Key Results

18. To monitor progress toward the PDO, the following set of indicators have been identified:
 - (a) Identified planning tools being used to improve climate resilience (number);
 - (b) Identified climate resilient investments constructed/rehabilitated and in use in the aviation and maritime sectors (number);
 - (c) Identified enabling environment solutions implemented (number);
 - (d) Length of roads constructed or rehabilitated with climate resilience measures (kilometers);
 - (e) Climate resilient routine maintenance contracts in place and being implemented (yes/no)

19. The results framework will be updated to reflect the activities funded by the CERC including:
 - (a) The addition of a new Intermediate level indicator: "CERC-related procurement packages completed on time as per the procurement plan (Percentage)"

D. Project Description

20. The parent project consists of the following four components that incorporate the four pillars of Pacific Climate Resilient Transport Program Series of Projects (PC RTP SOP):
 - (i) **Component 1: Sectoral and Spatial Planning Tools.** This component involves technical assistance that will improve the way that climate change is addressed in Tonga's transport sectors and allows for the financing of updates to analytical and sector planning tools to enable policymakers to make informed decisions based on the most accurate and up-to-date information available. A program of sub-components is proposed:
 - a. Conducting a road sector Climate Vulnerability Assessment.
 - b. Urban transport studies including Nuku'alofa road traffic modeling, road public transport options and investigation and design of cycleway options.
 - c. Upgrading the Transport Management System (TMS) information technology including conducting trainings in relation to such system. The TMS will provide important statistics for monitoring compliance with regulations and standards, especially for ferry services and possibly aviation. System would be of suitable climate resilience to ensure monitoring during severe weather events.
 - d. Conducting an obstacle limitation survey for Kaufana Airport, 'Eua.

 - (ii) **Component 2: Climate Resilient Infrastructure Solutions.** This Component involves feasibility studies, design and physical works of identified road, aviation and maritime assets to improve their resilience to climate-related hazards and/or events. The following sub-components are proposed:
 - a. **Road sector infrastructure rehabilitation:** This sub-component¹¹ will include:
 - i. Rehabilitation and/or upgrading of a combination of main and community/agricultural roads across Vava'u and main island of Tongatapu as identified by the *Tonga National Roads Improvement 3-Year Plan (2015)*.
 - ii. Rehabilitation and/or upgrading works including emergency works, combined with

¹¹ The final selection of roads will be based on a cost estimate done during preparation, with the MOI's Road Asset Management tool used to determine priority. The methodology for final selection will be further outlined in the Project Operation Manual (POM).



routine maintenance through innovative types of maintenance contracts (such as area-wide coverage, multi-year, combined periodic and routine maintenance all through the execution and implementation of Performance-Based Contracts). Such works will be carried out on selected roads in Western Vava'u, 'Eua and Ha'apai. The contracts will be split into:

- (1) rehabilitation and/or upgrade works (to bring these roads back to a fully maintainable standard) and emergency works if and as needed,
- (2) routine maintenance works.

The IDA grant will finance the rehabilitation/upgrading costs, while the MOI Road Maintenance Fund will finance the routine maintenance costs.

Contracts in sub-components (i) and (ii)(1) will also include localized upgrades to increase climate resilience of vulnerable coastal and hilly roads by improving coastal protection, drainage and slope stability.

- iii. Delivery of footpath upgrade works and other road safety investments and activities, at sites still to be determined.
- iv. Assessment, design and supervision of the above-mentioned road sector infrastructure works.

b. Maritime sector infrastructure rehabilitation. This sub-component will include:

- i. A variety of safety repair works at a number of outer island locations in Nafanua ('Eua), Pasivulangi (Niuatoputapu) and Futu (Niuafu'ou). The activities will be based on the recommendations of the *Assessment of Maritime Safety Conditions of Ports and Wharves (2017)* and the findings from investigation of Nafanua Port at 'Eua (October, 2017). These activities complement works that are already under procurement through the World Bank funded Tonga Transport Sector Consolidation Project (TSCP) in Taufa'ahau, Ha'apai and Halaevalu, Vava'u. Works will include repairs to sheet pile walls, breakwaters, pavements, concrete capping beams, replacement of fenders and bollards. Limited maintenance dredging at outer island ports throughout Tonga to remove sediment deposits within the basin and docking areas is also included. Activities under this sub-component will include supervision of the maritime sector infrastructure rehabilitation works, and design and preparation of the maintenance dredging works.

c. Aviation sector infrastructure rehabilitation. This subcomponent will include:

- i. Urgent resurfacing to the runway and apron at Salote Pilolevu Airport, Ha'apai, including reconstruction of pavement layers at localized soft spots, subsoil drainage as needed, and full line marking. Activities under this sub-component will include design and supervision of the resurfacing of the Ha'apai runway and apron.

- (iii) **Component 3: Strengthening the Enabling Environment.** This Component will provide funding to support institutional and regulatory reforms for transport sector asset management and maintenance, including measures to strengthen local capacity and to increase the sustainability of climate resilient investments under the project. In addition, this Component will help to strengthen coordination among relevant institutions, look at ways in which the road and maritime sector management can be improved. This sub-component will include:



- a. **Project support team.** Providing technical and operational assistance to a Project Support Team to be housed in the MOI¹² on project management and implementation.
- b. **Technical assistance.** Technical assistance to (i) support MOI on its institutional reform process started under TSCP, (ii) explore options for establishing a Maritime Maintenance Fund, (iii) update technical specifications applied by MOI for sealed roads, and create specifications for steep roads, and comprehensive maintenance specifications for all road types in Tonga, and (iv) strengthen the Ministry of Infrastructure's capacity to manage transport infrastructure and assets.
- c. **Climate resilient material testing equipment.** Purchase of essential additional testing equipment for the MOI materials laboratory and provision of training to staff to operate.
- d. **Safety related technical assistance.** Provision of training to MOI, consultants and contractors on occupational health and safety (OHS) measures, transport safety campaign activities and safety audits of Tonga's road network.
- e. **Impact assessment.** Conducting beneficiary surveys, including surveys focusing on gender and people with disabilities, to assess the impact of the major works carried out under the project.
- f. **Gender based violence strategy.** Development and implementation of a gender-based violence management strategy including carrying out of a needs assessment and prevention and support services.
- g. **Gender-informed driver licensing pilot.** Carrying out of education and safety courses as well as outreach programs on commercial drivers' licenses for women.

- (iv) **Component 4: Contingency Emergency Response.** Since PICs will remain vulnerable to climate change and severe weather events, even with the successful implementation of the first three components, supporting post-disaster recovery is an important feature of the PC RTP. This Component is designed to provide swift response in the event of an Eligible Crisis or Emergency¹³, by enabling the Government to request the World Bank to re-allocate Project funds to support emergency response and reconstruction.

21. As part of the PC RTP SOP, TC RTP project was approved on November, 29, 2018 and has a disbursement ratio of 6.8%. Since approval the project has been 'Satisfactory' in terms of achieving its Project Development Objective, and moderately satisfactory for 'Implementation Progress'. The last implementation support mission was carried out virtually in mid-April 2020. Implementation has been slower than expected mostly because of delays in the preparation of bidding documents, especially for the road works, and also in the evaluation of bids for the port works in the Niuaus, and the resurfacing of the Ha'apai runway.

22. Rehabilitation works have started in the port of 'Eua but will need to be rescoped because of the damages inflicted by Tropical Cyclone (TC) Harold in April 2020. The same applies to the works to rehabilitate the ports in the Niuaus, which were hit by TC Tino in January 2020. The contract for the resurfacing of the Ha'apai runway is ready to be awarded but it is not clear when the works will start as the preferred bidder is impacted by the current travel restrictions due the COVID-19 pandemic. The bidding documents for the road works are being

¹² The roles within the Project Support Team and their responsibilities are further defined in section III (A) Implementation Arrangements.

¹³ Defined as "an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters", OP/BP 8.00, *Rapid Response to Crises and Emergencies*.



finalized, especially those related to the performance-based contracts (PBCs) in Vava'u and 'Eua. The PMU will proceed with the tenders for Vava'u (two PBCs) but will likely need to review the scope of works in 'Eua which has been severely impacted by TC Harold. Both the recent TCs and the pandemic are unfortunately likely to exacerbate delays in procurement and project implementation. The PMU has prepared a thorough COVID-19 mitigation plan for all planned procurement and contracts underway.

23. The PMU is fully staffed and now coordinates well with the Central Services Unit on safeguards, procurement and engineering issues.

24. The Additional Financing (AF) is being prepared under the global framework of the World Bank COVID-19 Response financed under the Fast Track COVID-19 Facility (FTCF) as well as from IDA18. In response to the WHO declaration of the global pandemic, Tonga has triggered the CERC of the TCRTP to address urgent COVID-19 emergency response and preparedness needs. Uncommitted funds (US\$2.89 million) have been reallocated to the CERC from other components of TCRTP. Tonga has applied the CERC funding to supply medical equipment and supplies. The availability of funds in the CERC has enabled the rapid release of funds for this purpose.

25. The triggering of the CERC has resulted in a US\$2.89 million financing gap for the TCRTP. This AF replenishes the funds released by the CERC to enable continuation of the project which remains a priority for Tonga. This AF also includes a Level 2 restructuring to revise the results framework for the project, including to add an Intermediate Results Indicator related to the CERC to capture the timeliness of the procurement of items as included in the CERC Emergency Action Plan (EAP). The current PDO remains achievable.

26. An ex-post restructuring of TCRTP is to be undertaken due to the triggering of the CERC. The AF will not change the original objectives, design, components or activities; however, will enable the procurement of medical equipment and supplies to support Tonga's preparedness and response to the COVID-19 pandemic.

E. Implementation

Institutional and Implementation Arrangements

27. While the Ministry of Infrastructure (MOI) is designated as the implementing agency of Component 4 under the original design of the project, the CERC Operations Manual may indicate different implementation arrangements or designate a different entity to be in charge of coordinating and implementing the CERC activities to best reflect the nature of an Eligible Crisis or Emergency. In line with the approved CERC Operations Manual, the implementing agency for the CERC-financed EAP for the COVID-19 response is the Ministry of Finance (MOF) through the CSU. The CSU will work in close collaboration with the Ministry of Health (MOH), who is responsible for providing technical advice. The MOF/CSU will be responsible for planning, financial management, procurement, safeguards, monitoring and evaluation for the EAP.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

Tonga's population is primarily Polynesian, with a literacy rate close to 99 per cent and a relatively low incidence of poverty. Tonga's small size, geographic dispersion and isolation, and limited natural resources



provide a narrow economic base. With its remote locations, small size and dispersed islands setting, Tonga faces many challenges in developing and maintaining sustainable internal (intra- and inter-island), regional and international transport and communication linkages, all of which are crucial to the economic development and social well-being of its population. Project works include resurfacing/rehabilitation of existing roads on Vava’u, ‘Eua, Ha’apai, Niuafo’ou and Tongatapu; completion of safety repair works at ports in Nafanua (‘Eua); Pasivulangi (Niuatoputapu) and Futu (Niuafu’ou) which will include repairs to sheet pile walls, breakwaters, pavements and concrete capping beams, minor dredging to remove sediment deposits within the basin and docking areas; and urgent resurfacing of the Ha’apai runway and apron, including reconstruction in localized spots and full line marking. An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China. Since the beginning of March 2020, the number of cases outside China has increased thirteenfold and the number of affected countries has tripled. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spread across the world. As of the end of April, the outbreak has resulted in an estimated 3 million cases and more than 215,000 deaths in about 210 countries and territories. In response to the WHO declaration of the global pandemic, Tonga has triggered the CERC of the TCRTF to address urgent COVID-19 emergency response and preparedness needs. Tonga declared a national state of emergency on March 20, 2020 and has applied the CERC funding for support to the Tonga COVID-19 National Action Plan. More specifically, activities to be funded through the CERC aim to strengthen Tonga’s health system and services, largely through the procurement of medical equipment and supplies. The availability of funds in the CERC has enabled the rapid release of funds for this purpose. There are currently no confirmed cases of COVID-19 in Tonga.

G. Environmental and Social Safeguards Specialists on the Team

Thomas John Callander, Social Specialist
 Rachelle Therese Marburg, Social Specialist
 Nathalie Suzanna Noella Staelens, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project is unlikely to cause any significant adverse environmental impacts and has been categorized as Category B under OP 4.01. Potential impacts are expected to be site-specific and few, if any, would be irreversible.



An Environmental and Social Impact Assessment (ESIA) and an Environmental and Social Management Plan (ESMP) for all works has been prepared in compliance with World Bank Policy 4.01. For the Emergency component of the project, an ESMF has been prepared.

The ESIA confirms that the impacts of the project are not expected to be significant, and can be readily addressed. Mitigation measures have been identified in the ESMPs which will be implemented throughout the life of the project, and also serve as the basis for the Contractors' ESMPs. Mitigation measures identified include: development of traffic management plans to minimise potential impacts to pedestrians and access; adherence to strict working hours; use of existing MOI facilities for laydown yards; use of best practice dredging and marine notification procedures; material sourcing from local quarries; and avoiding impacts to private assets such as crops and fences during clearance of the road reservation where possible, and implementing Land Clearance Procedure where impacts are unavoidable.

An ESMF for the CERC (Component 4) has been prepared to ensure that safeguards issues are considered in executing the COVID-19 related procurement in response to the public health emergency that was declared in March 2020. There is no change to the Cat B classification, as the proposed activities funded by the reallocation from Component 1 to the CERC are limited to the purchase of goods, and therefore no land access issues are anticipated. However, the use and disposal of medical equipment and PPE will have clear implications for Occupational Health and Safety (OHS), mainly in terms of infection prevention and control, as well as stakeholder engagement and inclusion. Issues related to OHS at health care facilities will need to be carefully managed and monitored. These include but are not limited to testing and isolation services, sanitation and hygiene at the workplace, and proper use and disposal of medical equipment and PPE. Clear provisions for OHS, specifically related to the use and disposal of medical equipment and PPE are included in the CERC



ESMF. Elements to address these particular risks are already in place in Tonga, including a medical waste management procedure and general MOH operating procedures in compliance with WHO guidance. These will be assessed against COVID-specific WHO guidance and Good International Industry Practice, and updated as required to ensure compliance. The CSU safeguards adviser will be responsible for working with relevant MOH staff to update and implement these plans, including supporting MOH to ensure that all medical and waste management workers are fully trained on the procedures. A stakeholder engagement plan and GRM have been developed for the CERC component of the project. The CERC GRM will be advertised on the websites of the MOH, MOI & MOF with the CSU manager responsible for managing any feedback or complaints.

Performance Standards for Private Sector Activities OP/BP 4.03	No	NA
Natural Habitats OP/BP 4.04	Yes	<p>The ESIA confirms that the project will not impact any habitats of significance and there are no ecological communities of conservation value present at any project sites. However, the ESIA for the maritime works identified two key gaps which need to be resolved during the detailed design phase in order to ensure impacts to natural habitats are adequately managed. The ESMP requires an additional survey be undertaken to determine the location and volume of materials to be dredged at all sites and identify suitable stockpile locations on Government land; the completion of a survey of adjacent coral reef communities to assess options for coral relocation at two locations; and baseline water quality survey for monitoring purposes. This will inform the detailed design process for dredging works. Residual risks are therefore unlikely.</p> <p>The CERC related activities have no impact on Natural Habitats as the use and disposal of the procured equipment and supplies will occur in existing health care and waste management facilities.</p>
Forests OP/BP 4.36	No	The project involves maintenance of existing road, aviation and port facilities. The ESIA confirms that



		impacts to forests are unlikely and this policy is therefore not triggered. The CERC activities will not have any impact on forests.
Pest Management OP 4.09	No	There will be no requirement to manage pests, purchase or use pesticides.
Physical Cultural Resources OP/BP 4.11	No	The physical works will be within the footprint of existing infrastructure and located in highly modified environments. The ESIA confirms that impacts to PCR are not anticipated. The CERC component will also be implemented within existing facilities, including health care and waste management facilities, and no impacts on physical cultural resources are anticipated.
Indigenous Peoples OP/BP 4.10	No	OP 4.10 is not triggered. Tongans are predominantly homogenous (Polynesian) and the project has been designed in accordance with cultural norms and practices. A separate Indigenous People’s Plan will therefore not be prepared.
		No land will be acquired for any project component. The ESIA confirms that all works will be undertaken on Government owned or controlled land. If the need to use any private land arises in the future, voluntary lease arrangements will be agreed with the land owner. OP4.12 is therefore not triggered.
Involuntary Resettlement OP/BP 4.12	No	On the road component, all works will be contained within the existing road carriage way, contained within the wider road reservation. While some local land owners have been using this space informally to plant crops, the implementation of land clearance procedures is expected to avoid impacts. These are included in the ESMP and will include communication of project activities; highlight the need to harvest any existing crops in the road reservation, and avoid future planting in this area; requirements for the design consultant and road construction contractor to identify opportunities to avoid impacts to crops; consult with crop owners; relocate affected crops or fences where necessary; and clearly document all activities and agreements. The CERC activities will be executed within existing government facilities, including health care and



		waste management facilities. There will be no need for land access in executing these activities.
Safety of Dams OP/BP 4.37	No	The project does not include investments in dams or will affect, or be affected by, the operation of a dam or reservoir.
Projects on International Waterways OP/BP 7.50	No	The project does not involve international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project activities are not taking place in disputed areas.

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project involves the rehabilitation of existing roads, ports and aviation infrastructure. The social and environmental impacts associated with the Project include: health and safety (community and workers), potential employment opportunities, (domestic and to a lesser extent, foreign), short term change in access to property, potential clearance of assets such as crops and fences from road reservations, disturbances such as impacts to noise and air quality and maritime environments from dredging and coastal works. There are no sensitive receptors which will be significantly affected by works. Project benefits include improvements to passenger and pedestrian safety, waste and fuel management, storm water management, drainage, marine access, road conditions and access to markets.

All works will take place on government land and no land acquisition is necessary. While the need for additional sites is not anticipated, any use of private land will be through a freely negotiated lease arrangement. Suitable materials are available from the Ahononou quarry in Tongatapu, which hold all necessary permits, and will be transported to necessary sites by barge.

The ESIA for the maritime works identified two key gaps which need to be resolved during the detailed design phase. The ESMP requires that an additional survey is carried out to determine the location and volume of materials to be dredged at all sites, and identify suitable stockpile locations on Government land; undertake a survey of adjacent coral reef communities to assess options for coral relocation; and baseline water quality survey for monitoring purposes. The survey outcomes will be used to during the detailed design phase to further minimise impacts on marine resources.

There are no potential large scale, significant and / or irreversible impacts.

The E&S risks associated with the CERC emergency activities are limited to risks associated with medical staff exposure, infection prevention and control, health care waste management, including in the provision of medical services and stakeholder engagement. The ESMF calls for the preparation of management plans to mitigate these risks following a gap analysis approach.

The main safeguard risks on the parent project are associated with worker OH&S, disruption of traffic routes, impact



to neighbours and disposal of waste. The identification and mitigation of these risks within ESMPs assists reduce project impact and risk.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

No indirect or long term negative impacts are expected from future activities in the areas of project activities. Long term impacts are expected to be positive through the improvement in climate resilience of infrastructure in Tonga, as well as improved safety and access. Benefits are also expected to provide benefits to other sectors including tourism, agriculture, general commerce, as well as provide healthcare, education and social connectivity benefits.

The CERC activities are expected to have medium and long term beneficial impacts, through improved preparedness of the health system to respond to epidemics and pandemics, improved infection prevention and control procedures, improved health care waste management protocols, etc. Although the CERC only funds the procurement of medical supplies and equipment, the fact that their use and disposal will require compliance with the CERC ESMF and its associated management plans, this will expose MOH staff to Good International Industry Practice (GIIP) and allow them to gain a better understanding of E&S risk management in their daily operations. Management plans and compliance processes will be developed with the assistance of the CSU safeguards adviser.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

There are no feasible alternatives for project activities as works are based on the upgrade and improvement of existing roads, ports and runway. The “do nothing” option would fail to meet the project development objective. The CERC activities are driven by an emergency situation caused by the COVID-19 pandemic and contribute to the country’s national response plan. As the activities are limited to procurement of medical supplies and equipment, alternatives were not assessed. All items to be procured have been prioritized through a MOH led need’s assessment.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The TCRTTP project is being implemented by a project support team (PST) within MOI. They have considerable experience with the Bank’s safeguards policies having implemented the Tonga Consolidated Transport Project (TSCP) over the last five years. The PST has hired a full time safeguards officer who is supported by an experienced CSU safeguard adviser.

The Government of Tonga has established a Central Services Unit (CSU) to sit within the Ministry for Finance and National Planning. The CSU provides services related to: (i) project preparation and implementation, and (ii) capacity building. Implementation of the project is primarily managed by the TCRTTP PST, who draw on the CSU experts for advice on procurement, financial management (FM), safeguards, monitoring and evaluation (M&E) and contract management when the PST encounters complex cases. Since effectiveness, environmental and social risk management, via the Project Environmental and Social Impact Assessments (ESIA) and Environmental and Social Management Plans (ESMP), has been satisfactory. Only one works contract has been signed (rehabilitation of the port in ‘Eua) and there have been no grievances or environmental, health or safety incidents to date. The environmental and social risks are being managed adequately through the Environmental and Social Specialist, who is part of the Project Support Team, with on-call support from the international safeguards adviser housed in the CSU, which supports the entire Tonga World Bank-funded portfolio. The Grievance Redress Mechanism (GRM) will be publicly advertised on MOI, MOF and MOH websites.



The CERC activities will be implemented by the CSU with technical support from the Ministry of Health. The CSU safeguards adviser will ensure that the activities will be implemented in compliance with the ESMF and its associated management plans. The safeguards adviser will also strengthen capacity within the MOH to manage safeguards aspects of their operations, particularly in the field of infection prevention and control, medical waste management, inclusion and stakeholder engagement.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Extensive public consultation was undertaken as part of project preparation with a total of 458 (308 men and 150 women) people attending 30 public meetings. These were held on each island where works will be undertaken including Tongatapu, Va’vau, Ha’apai, Eua and Niua. Information on the project was provided and stakeholder were invited to share their views. There is strong public support for the project, particularly in relation to the roads component. Ongoing consultation will be the responsibility of MOI and the PST. An initial focus will be on sharing project updates, particularly in relation to potential impacts on to informal crops which are planted in the road reservation. The Contractor will also be responsible for engagement activities during the construction phase.

The CERC activities relate to the procurement of medical equipment to support the MOH’s preparedness to the COVID-19 emergency. Social risks are associated with the potential impact to essential services, stigma and anxiety of COVID-19. A CERC ESMF has been prepared that sets out procedures to be implemented to control these risks. The CSU safeguards officer will work with the MoH to ensure compliance or adoption of plans.

A Grievance Redress Mechanism (GRM) exists for the original project which has been utilised to produce a CERC-specific GRM to be advertised on the MOH, MOI and MOF websites. The GRM process and mechanism is being supported by the CSU safeguards officer, to ensure the process is robust and acknowledges existing MOH GRM systems. The GRM focal point is MOH with CSU managing the feedback process and mechanism in coordination with MOH.

Information disclosure is mandated by OP4.01 and the Bank’s Disclosure Policy. Safeguard instruments are disclosed in a language and format accessible to people, communities and civil society who may be interested in, or affected by, Project activities to ensure sufficient understanding of the project activities, potential impacts and management arrangements, as well as the grievance redress mechanism. MOI, via the PST, is responsible for managing information dissemination as well as overseeing public consultation

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other		
Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
06-May-2020	07-May-2020	



"In country" Disclosure

Tonga

04-May-2020

Comments

disclosed on MOF and MOH websites and MOH facebook page

<http://www.finance.gov.to/node/703>

<http://health.gov.to/?q=node/89>

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?

No

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

NA

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes



All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

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APPROVAL

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