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Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 03-Sep-2024 | Report No: PIDIA00827

Public Disclosure Authorized

BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies)	Region	Operation ID	Operation Name
Tonga	EAST ASIA AND PACIFIC	P180965	Health Enhancement and Resiliency in Tonga Project
Financing Instrument	**Estimated Appraisal Date**	**Estimated Approval Date**	**Practice Area (Lead)**
Investment Project Financing (IPF)	03-Sep-2024	30-Oct-2024	Health, Nutrition & Population
Borrower(s)	**Implementing Agency**		
Kingdom of Tonga	Ministry of Finance, Ministry of Health		

Proposed Development Objective(s)

The PDO is to strengthen management of NCDs in Tonga, increase the availability of climate-resilient health services in the Northern Islands, and, in case of an eligible crisis or emergency, respond promptly and effectively to it.

Components

Strengthen Tonga's prevention, detection, and control of NCDs
Improve the accessibility to resilient health services in the Northern Islands
Project and portfolio management
Contingency Emergency Response Component (CERC)

PROJECT FINANCING DATA (US$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)?	No
Is this project Private Capital Enabling (PCE)?	No

SUMMARY

Total Operation Cost	**36.65**
Total Financing	**36.65**
of which IBRD/IDA	**30.00**
Financing Gap	**0.00**

DETAILS

World Bank Group Financing

International Development Association (IDA)	30.00
IDA Grant	30.00

Non-World Bank Group Financing

Counterpart Funding	6.65
National Government	6.65

Environmental And Social Risk Classification

Moderate

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 is classified as an upper-middle income country (UMIC) with a gross national income per capita of US$4,930.**[1] The country is an archipelago of 169 islands, 36 of which are inhabited, with a total population of 100,179.[2] Situated in the South Pacific, the country stretches across 800 kilometers of ocean from north to south, with a land area of approximately 800 km^2. The main island of Tongatapu is home to approximately 75 percent of the countries' population. The next largest population center is the Vava'u island group in the Northern part of the country, home to 14 percent of Tongans. The population is primarily Polynesian, with a literacy rate close to 99 percent. According to a recent 2021 poverty report, 20.6 percent of the population lived below the Government's basic needs poverty line, but against the international poverty line of $1.90 a day, the poverty rate was estimated at near zero percent.[3] As with other Pacific Island Countries (PICs), Tonga's small size, geographic dispersion and isolation, and limited natural resources provide a narrow economic base and make the country extremely vulnerable to external shocks, including climate hazards. It is ranked as the third most at-risk nation in the world for natural hazards due to the country's high exposure to extreme natural events with a high level of vulnerability (after Vanuatu and Solomon Islands).[4]

2. **The Tongan economy is performing well, underpinned by resilient remittance inflows and major reconstruction activities following the Hunga Tonga–Hunga Ha'apai volcanic eruption in January 2022.** While the economic recovery is

[1] World Bank World Development Indicators (WB WDI. 2021 or latest data available).
[2] Tonga Statistics Department: 2021 Census Results
[3] https://www.worldbank.org/en/topic/poverty/publication/poverty-and-equity-briefs
[4] https://www.researchgate.net/publication/354601635_The_WorldRiskIndex_2021

expected to continue in the short term, the outlook is subject to significant uncertainties. Having hit a low of - 2.7 percent economic contraction in 2021, Tonga grew 2.6 and 2.5 percent respectively in 2023 and 2024.[5] Tonga is at high risk of debt distress. Tonga's human capital is a vital economic asset, including through remittances and the contribution to productivity in country. Tonga's Human Capital Index[6] estimates that a child born in Tonga today will be 53 percent[7] as productive when they grow up as they could be if they enjoyed completed education and full health.

Sectoral and Institutional Context

3. **Health expenditure per capita in Tonga increased from US$175 in 2010 to US$279 per capita in 2021,[8] and is largely publicly financed, resulting in relatively high financial protection but leaving the sector vulnerable to fiscal shocks.** Per capita spending is high compared to most other PICs, including Fiji (US$250) and Samoa (US$264), but lower than the UMIC average of US$568 in 2021. In the decade up to 2021, health expenditure as a share of gross domestic product (GDP) remained approximately 6 percent (UMIC average was 5.8 percent in 2021)[9] while domestic health expenditure out of the total Government of Tonga (GOT) expenditure dropped from 10 percent in 2010 to 7 percent in 2022.[10] Formal out-of-pocket expenditure is low and decreasing, from 8.5 percent of health expenditure in 2010 to 4.0 percent in 2021; however, indirect costs such as transport to access services can be significant, particularly for those living in the outer islands. External financing is volatile but relatively high (like in many other PICs).

4. **Health services in Tonga are predominantly publicly funded, managed, and delivered through the Ministry of Health (MOH).** The country's health infrastructure comprises 28 health facilities: 11 Nursing Clinics, 13 Community Health Centers (CHCs), three Community Hospitals, and the Vaiola National Referral Hospital (NRH).[11] Fifteen of those facilities are in Tongagatapu, including the Vaiola NRH. While small private practices exist, they primarily cater to labor mobility scheme health checks.

5. **While some health outcomes have generally improved over recent years, Tonga is facing an increasing crisis stemming from its growing burden of non-communicable diseases (NCDs) which is impacting productivity and longevity.** The Universal Health Coverage (UHC) Service Index has only minimally increased over the years, with a particularly low score for NCDs.[12] Life expectancy has shown little change, and healthy life expectancy has stagnated since 2010.[13] In 2021 alone, it is estimated that Tongans lost over 27,000 years of healthy life due to early deaths or living with disabilities.[14] Premature deaths due to NCDs account for almost half of all NCD related deaths (50 percent for men and 47 percent for

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[5] https://www.imf.org/en/Countries/TON#countrydata

[6] https://www.worldbank.org/en/publication/human-capital and https://openknowledge.worldbank.org/handle/10986 /34432

[7] While this is the third highest amongst PICs after Palau and Samoa, it is a lower index than the average for East Asia and Pacific region (59 percent) and for upper middle-income countries (56 percent).

[11] The national Vaiola NRH and 14 lower-level health facilities (7 Health Centers and 7 Clinics) provide services to the main population on or near to the main island of Tongatapu. Community hospitals in Vava'u, Ha'api and 'Eua provide a substantial range of primary health care, linking with lower-level facilities and public health programs where able in their respective regions.

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[12] WHO. "Primary Health Care on the Road to Universal Health Coverage. (2019). 2019 Monitoring Report.

[13] WHO. (2024). Global Health Observatory; World Bank. (2024). WDI.

[14] Institute for Health Metrics Evaluation (IHME), Global Burden of Disease (GBD) Study 2021 Results (latest data available). This includes ~21,000 years of health life lost to NCDs, ~5,000 to communicable, maternal, neonatal and nutritional diseases and ~2,000 to injuries.

women),[15] while NCDs accounted for over 74 percent of the total disease burden. The 2017 Tonga (STEPS)[16] NCD Risk Factors Survey reported that more than a third of the population had raised blood pressure and were on medication (with no significant difference between women and men), but only 5 percent had their blood pressure successfully controlled by treatment. While diabetes is an increasing problem, almost half the population reported never having their blood sugar measured.

6. **Knowledge, attitudes, and practices (KAP) concerning key risk factors drive most of the death and disability related to NCDs, underscoring the importance of behaviors and the environment**. Over the past decade, there has been double-digit increases in key risk factors for diabetes, stroke, and heart disease such as high fasting blood glucose, high body-mass index, high blood pressure, tobacco use, and poor dietary choices. Obesity rates are rising steadily in adults and children, with the highest rate globally for women. [17] Men have higher rates of death and disability due to NCDs than women,[18] but women bear most of the burden of home care for family members affected by NCDs.

7. **Climate change is intensifying health challenges in Tonga and is expected to exacerbate lifestyle-related risk factors for NCDs, hinder progress towards UHCS, and affect climate-sensitive infectious diseases.** Rising sea levels and extreme weather events, such as tropical cyclones, are increasing the vulnerability of Tonga's population to waterborne diseases, food insecurity, and displacement.[19] The destruction of infrastructure and disruption of healthcare services during these events exacerbate existing health conditions including NCDs and hinder access to medical assistance.[20] Warming temperatures contribute to the spread of vector-borne diseases,[21] while ocean acidification threatens marine ecosystems, diminishing the availability of seafood—a crucial source of nutrition for many Tongans.[22]

8. **Tonga reports good progress with some core maternal and child health indicators, as well as with various communicable diseases**. Tonga has achieved the sustainable development goals (SDGs) related to neonatal and under-five mortality, with respective rates of 5 and 11 per 1,000 live births in 2021.[23] Numbers of maternal deaths remains below three per year.[24] Immunization rates are high and reaching 99 percent, but the 2019 measles outbreak[25] casts some doubts on the reported coverage. Tonga has also reached the SDGs related to reducing the incidence of tuberculosis but remains vulnerable to communicable diseases, in part because of the immunocompromised health status from diabetes and other high burden NCDs.

9. **Achieving better results for human development requires Tonga to take more action addressing gender equality, disability, and social inclusion (GEDSI).** The GOT has outlined its gender commitments in various policies and plans, but Tonga ranks relatively low on the Gender Inequality Index, indicating challenges in achieving gender equality.[26] There are disparities in labor participation rates between men (70 percent) and women (50.5 percent), suggesting some

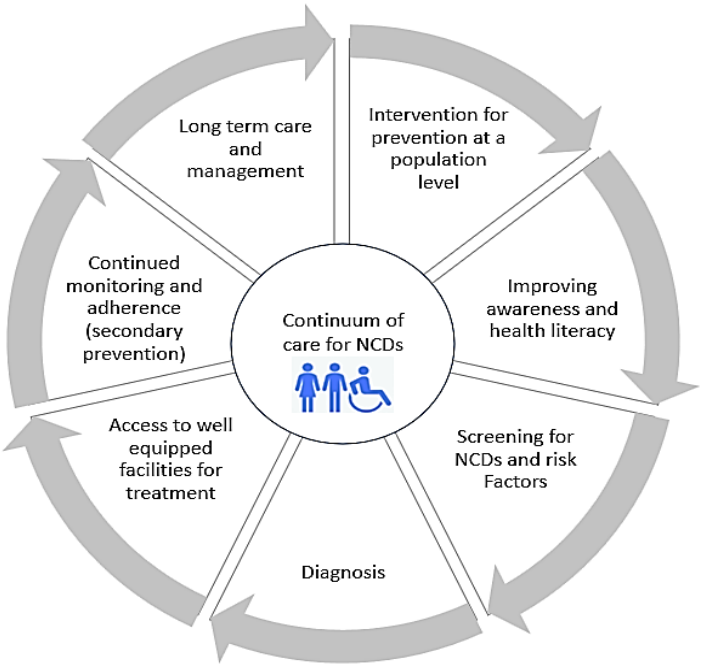
[15] WHO Global Health Observatory. (2019). Premature deaths due to NCDs are deaths due NCDs among people aged below 70 years, as a percentage of NCD deaths among all ages.
[16] Tonga NCD Risk Factors STEPS REPORT. (2017). http://www.health.gov.to/drupal/sites/default/files//public_docs/Tonga%20STEPS%202017.pdf
[17] NCD Risk Factor Collaboration. (2024). Worldwide trends in underweight and obesity from 1990 to 2022: a pooled analysis of 3663 population-representative studies with 222 million children, adolescents, and adults. The Lancet. Volume 403, Issue 10431.
[18] IHME GBD Study 2021.
[19] McIver, L., Kim, R., Woodward, A., Hales, S., Spickett, J., & Katscherian, D. (2016). Health Impacts of Climate Change in Pacific Island Countries: A Regional Assessment of Vulnerabilities and Adaptation Priorities. Environmental Health Perspectives, 124(11), 1707–1714
[20] Barnett, J., Campbell, J., & O'Neill, S. (2018). Social Dimensions of Health Impacts of Climate Change in the Pacific. International Journal of Climate Change Strategies and Management, 10(4), 667–685.
[21] Naicker, J., Harris, M., & Yates, K. (2016). Climate Change and Health: A Pacific View. Asia Pacific Journal of Public Health, 28, 23S–29S.
[22] World Bank Climate Change Knowledge Portal. (2021). Climate Risk Country Profile – Tonga; GOT. Adaptation actions in Tonga
[23] UNICEF. (2024). Tonga Country Profile. Tonga performed better than both Fiji: respectively 14 and 28 per 1,000 live births, and Samoa: 4 and 17 per 1,000 live births
[24] World Bank WDI and MOH annual reports.
[25] WHO. (2024). Immunization data - MEASLES
[26]
UNDP. 2022. Gender Inequality Index. Tonga's index is quite volatile, possibly highlighting difficulties with data availability. It was 0.354 with a ranking of 79 out of 162 countries in 2019, 0.659 with a ranking of 152 in 2015, and 0.462 with a ranking of 95 in 2012.

barriers to women's employment opportunities .[27] There are concerning levels of gender-based violence (GBV), with a substantial number of women reporting experiences of emotional, physical, or sexual violence, and few seeking help. The health workforce is not adequately trained to provide trauma-informed services as part of the evolving GBV referral network. [28]

Constraints on the Scale and Effectiveness of NCD Responses

10. **Tonga's efforts to address NCDs require consistent prioritization in policy and population-based interventions to ensure that NCDs are managed effectively across the continuum of care (see Figure 1).** The GOT's NCD Strategy[29] highlights cross-sectoral actions to optimize investments in preventing, identifying, and controlling NCDs. However, the National NCD Committee responsible for overseeing this strategy has had minimal activity due to changing roles of key staff, and the focus on immediate responses to the COVID-19 pandemic and the 2022 volcanic eruption. As a result of insufficient oversight, progress across sectors has been limited. Reviving and strengthening this committee is crucial for a comprehensive GOT response to NCDs. Although Tonga has implemented excise taxes on unhealthy goods like tobacco and sugar-sweetened beverages, policies need to evolve to keep pace with industry changes and population responses. With technical assistance (TA) from the World Bank, Tonga has developed a nutrient profile model to identify unhealthy products, with the intention of adjusting excise tax schedules accordingly, but implementation of these reforms is pending. Additionally, a Social and Behavior Change Communication Strategy and Action Plan to Address Obesity and NCDs was developed with World Bank TA but has not been implemented, partly due to this lapse in oversight but also the need for implementation support.

Figure 1: Continuum of Care for Non-Communicable Diseases



11. **Tonga lacks a clear reference model for the organizational approach to healthcare that is needed to respond effectively to the growing NCD crisis.** Although Tonga has some elements of a service delivery model in place—such as

[27] World Bank. 2024. WDI.
[28] Tonga 2019 Multiple Indicator Cluster Survey
[29] Tonga National Strategy for the Prevention and Control of NCDs 2021-2025 (*Tuiaki 'I he 'amanaki ki ha Tonga mo'ui Lelei).*

community outreach through church organizations, availability of healthy lifestyle counseling, and NCD services at health facilities—care is fragmented and tends to focus on managing specific disease events. There are gaps in service delivery and a lack of a systematic approach to screening, diagnosis, treatment, and follow-up. While support is ongoing to develop a dashboard for assessing progress in treating NCD patients, there is currently no system for tracking diagnosed individuals' attendance at follow-up visits. Developing a model of care that enables more prevention, early diagnosis, and effective management is required, rather than leaving health problems undiagnosed or untreated until more advanced complex care is needed.

Availability and Resilience of Key Factors Necessary to Deliver a Response to NCD Challenges

12. **The limited availability and proficiency of human resources for health (HRH) across Tonga significantly influences the range and quality of health services provided.** The MOH is finalizing an HR Strategy for 2024-2033[30] along with a Health Services Plan (HSP) for the Northern Islands (Vava'u and Niuas) to guide workforce planning and management. The MOH reports challenges in delivering integrated care, including for NCDs, due to insufficient staff numbers, limited skill sets among certain cadres such as nurses, transportation issues, and a concentration of staff in Tongatapu. Priority workforce gaps include the need for: nurse practitioners with comprehensive skills in NCDs, sexual and reproductive, maternal, neonatal, child, and adolescent health (SRMNCAH); family/community medicine specialists that can provide leadership in comprehensive primary health care (PHC); nutritionists; health promotion officers; podiatrists; psychologists; nurses with mental health qualifications; and biomedical technicians. Additionally, the lack of specialists for core secondary care based in the outer islands, such as general surgeon(s) and anesthetist(s) in Vava'u, results in patients having to travel to Tongatapu for essential services, often at their own cost due to insufficient domestic referral budget in MOH. HRH based outside Tongatapu also express concerns with inadequate professional support services and development opportunities. Addressing these workforce challenges requires upskilling existing health workers and providing certification-based training programs to fill identified gaps, while ensuring that services are sensitive to GEDSI considerations.

13. **The Northern Islands are a GOT priority for improving services. Prince Wellington Ngu Hospital (PWNH)** is a critical service provider, located 300 kilometers away from the main island and as a first referral for the Niuas, a further 200-300 kilometers to the north (see MAPs). Access to the main island is essentially a day's journey and is sometimes cut off due to weather or other events. PWNH falls short of providing the comprehensive services expected of a second-tier hospital, including community/PHC/outpatient and basic secondary care. PWNH predominantly provides PHC and outpatient services for general illness, NCDs, maternal and child health, and dental care but has minimal surgical and anesthetic services and limited laboratory and radiology diagnostic capacity. Patients often choose to directly attend PWNH or travel to services on Tongatapu, frequently facing high transport costs. Visiting teams from Vaiola NRH in Tongatapu provide ad hoc support. Routine outreach services are infrequent and primarily organized from Vaiola NRH, with limited outreach between PWNH and CHCs across Vava'u and Niuas. Many referrals from PWNH to Vaiola NRH could have potentially been managed safely in Vava'u with adequate resources. There is a substantial opportunity to improve the organization and management of health services in Vava'u to ensure that quality primary and hospital care is available and accessible closer to home.

14. **Most buildings in the PWNH compound are in poor condition highlighting vulnerabilities exacerbated by climate change.** An engineering assessment in 2019 revealed that the primary structural elements were deteriorated beyond rehabilitation.[31] Given Tonga's high risk to natural hazards, there is ongoing concern about a potential collapse of some buildings, particularly the inpatient wards that are most affected by structural integrity issues. Accessibility for people with

[30] Currently being finalized as part of the New Zealand Ministry of Foreign Affairs and Trade funded support through the Tonga Health Workforce Activity.
[31] An engineering assessment of the PWNH facility in 2019 reported that the primary structural elements likely to be affected by seismic loads (i.e., the concrete floor slabs, and the masonry walls) were in generally very poor condition. Health Facility Report: Pacific Resilience Project (PREPCER-S1) June 2019. Prepared for the Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Communication and Climate Change.

disabilities is limited, and the population's increasing disability rates driven by a higher NCD burden reinforces the need for disability and gender inclusive infrastructure. Significant layout issues are evident and hinder efficiency and convenience of the facility's design. The CHCs currently in use are structurally sound and in relatively good condition. The unstaffed Hunga Nursing Clinic was recently renovated, but both CHCs and Nursing Clinics require better equipping to meet the needs of the population effectively.

15. **Enhancing the quality of care can be supported using digital technology, both for patient management and remote diagnostic services.** Tonga is investing in digital health systems to improve the quality of care, but challenges persist. Limited use of information and communication technology (ICT) is due to unstable broadband internet connections, which hinder real-time data sharing and telehealth services, particularly for health workers in the outer islands. Additionally, obstacles to the adopting these technologies include inadequate training for health workers, leading to underutilization of existing systems. While improvements in internet speed and capabilities are necessary, equal attention must be given to effectively integrating digital tools into patient care and addressing HR constraints through more portable and digital technologies.

Government and Partner Response

16. **The Tonga Strategic Development Framework II 2015–2025 (TSDFII), demonstrates a commitment to improving people's well-being across Tonga.** The MOH's evolving Package of Essential Health Services (PEHS) aims to guide improvements in PHC and UHC, although roll-out of PEHS is at an early stage. The MOH is also finalizing its HR Strategy and HSP to support PEHS implementation, reinforced with the recently endorsed National Safe and Affordable Surgery, Obstetrics, and Anesthetics Plan.

17. **The World Bank health sector support will enable MOH to use technical assistance from a range of development partners (DPs) more effectively by leveraging those investments for large scale response.** The Australian Department of Foreign Affairs and Trade (DFAT) provides the GOT with general budget support and is assisting implementation of some components of the PEHS, providing support to the Public Health Foundation for community health promotion grants and, in coordination with the World Bank, is financing the development of the Northern Islands HSP (see annex 5). The New Zealand Ministry of Foreign Affairs and Trade (MFAT) is funding the updating of the PEHS and developing a long-term Health HR Development Strategy based on a general update of the clinical service planning; the World Bank will be supporting the implementation. The Japanese International Cooperation Agency (JICA) is supporting the national diabetes center, nurse training, and the development of telemedicine capacity for the ICU at Vaiola NRH which the World Bank will help to further direct towards strengthening the support to northern island facilities. The Asian Development Bank (ADB) has supported the development of a digital Health Information System (HIS) for patient care management, as well as the introduction of three new vaccines,[32] and is currently exploring integrated aged care. The World Bank will further support the use of the HIS for effective patient management. There are other key technical partners in the health sector such as WHO which will provide technical support for the STEPs population survey and will provide advisory support towards childhood obesity. The World Bank will help put the recommendations from that technical support into action.

18. **In response to the significant health and resiliency challenges, the World Bank is strategically increasing our investment support to the health sector.** Although the Bank's last large scale operational support to the Tonga health sector concluded about 15 years ago, the Bank has maintained a technical and advisory role. Significant advisory support was provided for analysis of hospital efficiency and quality measurement, fiscal policies to address NCDs, and behavior change communication. There was discussion with the Government to request operational support in IDA19 to implement these policies, but the global pandemic changed the immediate needs and priorities. The Bank supported the COVID-19 health sector response in Tonga through a contingency emergency response component. The GOT requested World Bank

[32] Rotavirus, pneumococcal conjugate, and human papilloma virus vaccines.

support for the health sector once the immediate needs of the COVID-19, economic recovery and the volcano disaster were addressed.

19. **The project's focus on the northern islands aims to strengthen the resilience of Tonga's health system in this underserved region, ensuring continued availability to essential and referral health services, even in the face of natural disasters.** The decision to focus on the PWNH stems from its critical role in serving a population that is geographically isolated from the main island, Tongatapu. This project seeks to transform PWNH into a climate-resilient facility, providing a model of care for NCD prevention, detection, and management that could be scaled across Tonga and the broader Pacific region. The World Bank's approach to addressing NCDs through a comprehensive health systems strategy, coupled with the coordination of technical knowledge and partner support, underscores its role as a leader in regional health initiatives. This project is positioned not only as a crucial intervention for Tonga but also as a "lighthouse" for innovative health solutions in the Pacific.

World Bank Portfolio Management

20. To support the growing World Bank supported portfolio in Tonga, the Government of Tonga established a Central Services Unit (CSU) under the Ministry of Finance (MOF) as part of the Skills and Employment for Tongans (SET) project (P161541); that project is scheduled to close on December 31, 2024. The portfolio size of Tonga is currently US$206 million, and the size is expected to grow. Due to Tonga's geographical remoteness, it was difficult to attract sufficiently experienced and qualified consultants for long-term commitments in each of its sectoral Project Management Units (PMUs). Therefore, to mitigate the project implementation and capacity gap challenges, the CSU was established to support the project management units of all projects in the portfolio and build capacity over the period in the common function areas. Broadly, the CSU supports the government portfolio in Tonga by providing (i) hands-on and advisory support, (ii) capacity building, and (iii) implementation of the Contingent Emergency Response Component (CERC). The CSU employs a dedicated central team of international and national experts to deliver its mandate. The CSU provides support at all stages of the project cycle, across the entire portfolio and in the range of project management functions (planning, fiduciary, safeguards, monitoring, and evaluation). The CSU does not a replace the project implementation units embedded in the sector ministries but offers complementary support to ensure that projects do not suffer both at implementation due to staff attrition and at preparation stage when a project management unit are not yet staffed. Both the Bank and the government have assessed CSU's support as critical to the performance of the portfolio and propose that it should be continued under the one of the IDA20-supported operations, approved in time for the CSU continuation. As such, the proposed HEART project is planned to continue the support of the CSU and further enhance its functions.

C. Proposed Development Objectives

Development Objective

The Project Development Objective (PDO) is to strengthen management of NCDs in Tonga, increase the availability of climate-resilient health services in the Northern Islands, and, in case of an eligible crisis or emergency, respond promptly and effectively to it.

Key Results

The PDO will be measured through four PDO level indicators:

PDO Area	PDO Indicator
I. Strengthen management of NCDs in Tonga	1. Percentage of the adult population demonstrating correct knowledge of NCD risk factors, as measured by a standardized KAP survey conducted during the project period (disaggregated by gender and identifying the population of the Northern Islands).

	2. Percentage of individuals in the Northern Islands identified with high blood pressure, insulin resistance, and/or high blood sugar who have a clinical follow-up at least every six months.
II. Increase the availability of climate-resilient health services in the Northern Islands	3. Availability of essential community hospital services at the redeveloped PWNH, in accordance with the agreed Health Service Plan.[33]
	4. PWNH infrastructure meets international building standards for resilience.[34]

D. Project Description

21. **The proposed Investment Project Financing (IPF) in the amount of US$36.6 million equivalent will support Tonga to initiate a paradigm shift to tackle the existential threats posed by NCDs, climate change and support the portfolio's implementation.** Investments will focus on service delivery innovations, initially focused on the largest catchment populations outside of Tongatapu— the Vava'u and Niua islands (collectively referred to as the Northern Islands in the context of the HEART Project). The total financing comprises US$30.0 million in IDA Grant financing. Additionally, the GOT has appropriated TOP 8 million in its 2024–2025 budget and has committed to appropriate a similar amount in the 2025–2026 budget of its financial support from DFAT toward the redevelopment of PWNH (for a total of AU$10.0 million or US$6.654 million equivalent). As 50 percent of the counterpart funding is already secured, the funds are defined in agreements with DFAT on the use of the budget support and given Tonga's budget execution credibility, there is limited risk to the counterpart funds not materializing. These funds will be used flexibly for PWNH-related activities (under Components 2 and 3) through the second year of project implementation.

Component 1: Strengthen Tonga's prevention, detection, and control of NCDs (US$7.75 million equivalent in IDA Grant financing)

22. **Component 1 will assist the MOH to respond to the NCD crisis, as well as other climate-exacerbated conditions, leveraging the investment in PWNH which is the focus of Component 2.** Contributing to the MOH's capacity and implementation of key strategies and plans, the project will (a) support the development of a more integrated health service delivery model, (b) provide education and training of HRH in priority areas, and (c) design and support the implementation of behavior change communication and related policy and regulatory changes, to address the evolving health and resiliency needs of the country. The component is scalable and can support more geographic areas and deepen the NCD prevention and management interventions, in coordination with other efforts and assistance. This component contributes to improving most of the aspects of the continuum of care for NCDs.

Subcomponent 1.1: Refine the model of care to provide more effective integrated prevention, detection, early intervention, and management of NCDs (US$1.0 million equivalent in IDA Grant financing)

23. **This subcomponent will develop and implement an international twinning agreement between the MOH and a service provider/'twinning partner' to develop and test a new model of NCD prevention, detection and management focused on the northern island population.** The twinning will support the implementation of a more person-centered, integrated approach to PHC, emphasizing NCDs and risk factors like high blood pressure, insulin resistance, and elevated blood sugar. The twinning will help develop a care model suited to the Tongan context while incorporating international good practice for PHC, focusing on outreach, prevention, and ensuring a continuum of care from screening through diagnosis to effective management. The defined activities and outputs of that arrangement include the following:

(a) Updating and consolidating necessary screening, risk assessment, diagnosis, treatment, and referral protocols for high blood pressure and diabetes, in line with good practice (including the use of insulin

[33] detailed definition provided in the results framework.
[34] The buildings will be designed to reach Importance Level 4 (IL4) for structure and services so that the hospital can remain operational during and after any natural disaster or extreme event, in accordance with Australian and New Zealand standards and modified as per expected updates to the Tonga National Building Code.

resistance and hemoglobin HbA1c testing), along with gender considerations and disaggregation of data as appropriate.

(b) Designing and implementing a health record and screening program, integrated with the National Health Information System (NHIS), targeted at secondary school age children (above the age of 12) and adults, focused on the population of the Northern Islands, for high blood pressure and insulin resistance/high blood sugar. Opportunities will be developed for engaging communities in this planning, decision-making, and monitoring process, particularly involving women representatives at the local level.

(c) Ensuring active use of NHIS-based patient registries for those with or at high risk of high blood pressure, insulin resistance and/or diabetes to improve the monitoring of patients on a routine basis, the management of patients according to the defined protocols, and improved patient outcomes. This would include improving the use of gender-sensitive patient counseling and support systems such as peer patient groups, nutrition education, and demonstrations.

(d) Supporting the hospital staff (clinical and public health) and the nursing staff of CHCs and nursing clinics to operate as a multidisciplinary team to accomplish the above tasks, together with other hospital management and quality improvement practices as may be agreed.

24. **The expected expenditures under this subcomponent include initial travel-related costs to explore the potential partnerships with service providers and then the costs associated with the actual twinning partnership.** The costs of the twinning partnership are expected to be the expenses associated with the administration of the partnership and reimbursable costs associated with the staff exchange including travel, accommodation, and other related expenses. Before entering an agreement with a twinning partner, the MOH will demonstrate, through a form of technical and financial proposal from the partner, that it has had a track record and good experience in person-centered models of PHC and particularly NCD prevention, detection, and management; has the capacity to provide TA and support required under the partnership; accepts the role and responsibilities that will be required of the partner; and provides a financial breakdown of direct and estimates of the reimbursable costs. The twinning partnership will be contracted using the World Bank standard form agreement. Further details regarding the approach to identifying, managing, and evaluating the partnership will be included in the Project Operations Manual (POM).

Subcomponent 1.2: Develop priority HRH (US$1.6 million equivalent in IDA Grant financing)

25. **This subcomponent will support the development of critical HRH necessary to improve the delivery of PHC and related referral services.** The project would support the development of HRH through international education opportunities[35] and in accordance with the annual training plan of the MOH. As a priority, these are expected to include those HRH needed for a strengthened PHC system including a few new cadres of HRH who can respond to a wider array of health needs of the population than the current health workforce. These include (a) nurse practitioners (with comprehensive NCD and SRMNCAH skills) as a new cadre of nurses who will be highly skilled and will have appropriate practicing , prescribing, and dispensing authority, (b) family/community medicine specialists who would be a new cadre of specialized primary health physicians who can provide leadership from the community hospitals, (c) public health nurses (who will have a general profile to meet the needs of community), and (d) midwives. Additionally, there will be support for educating nutritionists, health promotion officers, podiatrists, psychologists, nurses with mental health postgraduate qualifications, and biomedical technicians as well as filling any other gap in HRH that may be identified and agreed between the MOH and World Bank. The length of these education programs would vary from one to four years, with most being one year.[36] Before announcing any education scholarship opportunities, the MOH will ensure that the job

[35] The primary location for international education is in Fiji and at the medical education program of the Fiji National University. International education may include distance education programs that occur primarily in Tonga with occasional visits to the educational institution.
[36] Scholarships shall be awarded for education programs that will be completed during the project lifetime. On an exceptional basis and if not possible, the award of the scholarship will be clear in terms of the limited duration of the scholarship.

descriptions for all positions, particularly new cadres, are defined and approved, that positions have been formally established, and that the terms and conditions of the scholarship in terms of placement and bonding period are clearly stipulated in an agreement with the scholarship awardee. Equitable targets will be set for women participating in educational opportunities supported by the project. Further details of the subcomponent such as the specific steps for awarding, managing, and evaluating the outcome of the scholarship program shall be included in the POM. Technical assistance will also be provided to study the feasibility, plan and cost for the hosting of certain programs – particularly those focused on nursing education – at the Tongan National University (TNU).

26. **The subcomponent will also contribute to regular short courses in priority areas.** Courses are expected to cover areas such as NCD screening and management protocols, response and resilience to climate shocks, infection prevention and control, health care waste management (HCWM), GEDSI-informed health practices including for GBV, climate and health, and development of the skills to use the HIS more effectively for continuous service improvement. It is expected that health workers across the country will benefit from the short-term training, including the health workers from outer islands. Equitable targets will be set for women participating in training, with sex and residence of trainees included in the project's M&E.

27. **The expected expenditures under this subcomponent** include costs associated with international education including tuition fees, stipend allowances, travel and living expenses as well as costs for in-country short training such as trainer fees, materials, workshops, and in-country travel.

Subcomponent 1.3: Support behavior change communication and policy change for NCD risk reduction (US$5.15 million equivalent in IDA Grant financing)

28. **This subcomponent will contribute nationally to NCD behavior change support and the development and implementation of policies aimed at addressing the underlying risks of NCDs through the following activities**:

(a) Providing TA to develop, update, and monitor the GOT's Social and Behavior Change Communication Strategy and Action Plan to Address Obesity and NCDs in Tonga 2021–2026, including the integration of gender and climate considerations in the strategy (particularly as it relates to awareness around heat stress and cardiovascular conditions). Providing support for the implementation and monitoring of the Strategy and Action Plan to enhance gender- and disability-related outcomes including through targeted multi-media, publishing of materials, community events, and other related qualitative work to support behavior change communication activities.

(b) Supporting at least two national surveys to assess and document the progress of the adolescent and adult populations' KAP against key NCD risk factors (tobacco, alcohol, nutrition, and physical inactivity) and exacerbating factors (such as heat stress and the relationship of the risk factors to childhood obesity) with data disaggregated by gender (this activity would provide the needed data for PDO-level Indicator 1).[37] The disaggregated survey data will be made available to inform the actions needed for behavior change communication activities, to be included in the personal health counseling, and broader policy considerations.

(c) Providing TA to develop and advise on other NCD-related policies, including gender and disability variables, and support their implementation and routine monitoring, in the four risk factor areas of tobacco, alcohol, nutrition, and physical inactivity in line with the four multisectoral working groups being reestablished as part of the NCD National Strategy. This includes ensuring that policies consider gender and climate impacts, such as promoting climate-resilient practices for consistent access to healthy foods (for example, diversified crop production, soil health improvement, community gardens) or creating green spaces for physical activity

[37] If possible, the KAP survey will be combined with the broader STEPS NCD Surveillance Surveys, in coordination with the WHO. During appraisal, the WHO estimated that a STEPS NCD Surveillance Survey will be planned for 2025.

that can withstand extreme weather conditions and/or extreme heat. The TA will focus on policy and regulatory changes, across GOT agencies, and work in coordination with the behavior change and communication support. The TA will strengthen the governance mechanisms for the National NCD Committee by providing specific support from the MOH to the Prime Minister's secretariat office in the form of regular monitoring reports and providing inputs into the annual reporting to the Cabinet on the NCD Strategy implementation.

29. **The expected expenditures under this subcomponent** include TA, support to conducting surveys through the Tonga Statistics Department, and support to communications which may be through media (television/radio), community events, printing of materials, billboards, or similar.

Component 2: Improve the accessibility to resilient health services in the Northern Islands (US$19.55 million equivalent, comprising US$13.10 million in IDA Grant financing and US$6.45 million in GOT counterpart financing)

30. **This component will improve the accessibility to quality and climate-resilient infrastructure in Vava'u by retrofitting, rebuilding, and equipping PWNH.** The redevelopment of the hospital complex will address the functional and structural problems caused by climate change-exacerbated hazards (particularly increased heavy precipitation and extreme weather events), integrate extensive measures to ensure resilience to future climate hazards, and comply with international hospital standards. PWNH will continue to operate as a community hospital of about 40 beds[38] offering primary and secondary care services. An HSP for the Northern Islands, particularly PWNH, describing in detail the service delivery needs and the related HR and hospital design implications, *has been approved by the MOH after extensive consultations*[39] (see a draft executive summary in annex 5). The upgraded hospital complex will have the capacity to provide the essential health services needed for the population; will be designed to be resilient against disaster risks and energy efficient (Excellence in Design for Greater Efficiencies (EDGE) certified[40]) with solar power; the need to be inclusive and accessible (gender- and disability-sensitive services with accessibility for people with locomotor, visual, and other disabilities) and culturally appropriate (architecturally); and the need for flexibility and some surge capacity, allowing to expand in case of outbreaks or emergencies. There are two subcomponents detailed below. TA will be provided for improving the functioning of the hospital, including strengthening clinical and nonclinical management of the facility as well as strategies for its maintenance. This component completes the project's contribution to the continuum of care for NCDs by ensuring that patients or at-risk populations have access to well-equipped facilities for the treatment.

Subcomponent 2.1: Infrastructure support for a resilient and appropriately designed PWNH hospital (US$17.0 million equivalent, comprising US$11.70 million in IDA Grant financing and US$5.30 million in GOT counterpart financing)

31. **This subcomponent will support the predesign technical studies that would inform the detailed hospital design and construction needs.** The predesign assessments would include (a) a site survey of the selected hospital site; (b) soil and geotechnical investigations; (c) the overall master plan of the entire campus which includes the new hospital building as well as the housing units, the medical waste storage and incinerator, and other ancillary buildings; (d) environmental and social (E&S) impact assessment, including the specific location and specifications of the medical waste incinerator; (e) detailing of the building requirements to be integrated into the design of the new building including reference to international standards for resilience, energy efficiency (leading to EDGE certification), solar power, and universal design features for accessibility; (f) an assessment and immediate retrofitting of facilities that can be reasonably secured to reduce risk to current building during construction phase; and (g) update of the detailed scheduling and cost estimates,

[38] The Health Service Plan includes the detailed breakdown and rationale for the bed capacity. There will be a continuous process of reviewing and refining through the functional design and planning process. At the onset, there will be 28 general beds including adult, pediatric, and maternity of which two will be outfitted for isolation and additional 12 beds for specialized for high-dependency care, special care nursery, and mental health.

[39] The HSP has been submitted to the MOH CEO for review and approval. It is expected to be approved by the Health Sector Development Committee before negotiations. The footnote will be deleted by negotiations.

[40] Details on EDGE certification are at https://edge.gbci.org/

for discussion where necessary on phasing to ensure the continuity of services and where necessary to prioritize the works. It is expected that these pre-detailed technical designs would be included in the same scope of work and undertaken in an overlapping phased approach as the TA for the detailed functional and architectural design services described in the next paragraph. Some of the pre technical studies will be initiated before project effectiveness using GOT funds allowing for more effective implementation and disbursement after effectiveness.

32. **Subcomponent 2.1 will also provide TA for the detailed functional and architectural design and supervision of the new hospital complex—**in accordance with the detailed HSP and requirements defined as part of the predesign phase. The design phase is expected to be completed in two parts. First, it would include a detailed functional design layout of the main hospital buildings showing the functional layout of the departments and how they would work for patient flow and hospital staff use. The functional plans of the hospital should be consulted with staff and expected beneficiaries, including organizations representing persons with disabilities. Upon acceptance of the functional design by the MOH, the detailed architectural and engineering designs would be prepared. Based on the preliminary analysis, the detailed design works are expected to include a one-story hospital building of about 3,500 m^2 according to fit-for-purpose design standards, building of a nurse dormitory that will be replaced and building of approximately five single housing units, retrofitting and upgrading of the existing facilities which can be repurposed, housing and installation of a medical waste incinerator, sewer and storm water management plan, demolition of the unsafe structures, and site cleanup and restoration. Based on the detailed design works, the estimated budgets and scheduling should be updated. The support to the detailed design work, updated budget, and scheduling will enable the stakeholders to prioritize and phase available financing, before supporting the preparation of the bidding documents, the construction, and rehabilitation activities. Supervision of the hospital construction will be needed to confirm concurrence with the agreed design or assessment as to any change order processes. During the supervision phase, the design firm would support the development of a costed maintenance plan for the site and provide training on that plan with the MOH and related stakeholders.

33. **Construction and related works according to the priorities defined in the detailed design phase will also be supported under Subcomponent 2.1.** This is expected to include the retrofitting/rehabilitation of the buildings to be saved and remedial securing of the current unsafe buildings; the demolition of the nursing dormitory where the new hospital building is expected to be constructed; the construction of the new hospital building; building of the housing for the medical waste incinerator, procurement, and installation of an incinerator with approximately 30–50 kg per hour capacity and in accordance with appropriate technology that can be reasonably maintained; and demolition of the unsafe structures and site cleanup. Any necessary housing required to relocate health workers because of the new construction would be included. There may be some upgrade to the existing housing. The investments in additional housing and the extent of the housing upgrade will be determined based on the availability of the budget, including GOT contribution. Given the limitations of the budget, the project is not expected to invest beyond the essentials in the storm and sewer management, though it would be included in the plan for the site and the designs prepared in case more financing becomes available.

34. **The expected expenditures under this subcomponent** include the TA for design and supervision; the technical services described as the pre-detailed design technical services; and the civil works which would include the rehabilitation, retrofitting, demolition, and new construction as described earlier.

35. **Under the proposed implementation plan for Subcomponent 2.1, the construction phases outlined for the new hospital at Vava'u demonstrate a strategic approach to ensure the continuity of health care services while also prioritizing safety, accessibility, and efficiency.** The phases are proposed in the following order:

(a) **Retrofitting works.** This phase focuses on safety, repair, and upgrade interventions for the existing facilities to ensure uninterrupted service delivery during the construction period. Activities include structural assessments, safety enhancements, repair of critical infrastructure, and upgrades to comply with current standards and regulations.

(b) **Construction of the new building for the hospital where most clinical service delivery will be relocated.** Following the retrofitting works, the construction of the new hospital commences, with detailed planning to prioritize safety, accessibility, and minimal disruption to health services. This phase involves site preparations, including clearing and leveling, as well as infrastructure development to support the new hospital buildings.

(c) **Relocation of services and demolition.** As the construction progresses and the main buildings become operational, services provided in existing facilities are gradually relocated to the new buildings. This will ensure a seamless transition for patients and staff while minimizing disruptions to health care delivery. Once services are successfully transferred, the demolition of old facilities begins, adhering to safety protocols and environmental regulations. Clearing the site post-demolition sets the stage for subsequent possible improvements, such as parking and accessibility enhancements.

Subcomponent 2.2: Essential equipment and supplies for PWNH and health facilities in the Northern Islands (US$2.55 million, comprising US$1.4 million in IDA Grant financing and US$1.15 in GOT counterpart financing)

36. **This subcomponent supports the provision of priority equipment and supplies for effective functioning of PNWH as well as for health facilities across the Northern Islands.** This includes the following:

(a) Procuring, installing, and providing training on medical equipment and supplies that meet the immediate needs of the service delivery plan for the hospital, are energy efficient (Energy Star efficiency standards, International Electrotechnical Commission [IEC] energy efficiency standards, and similar viable standards for medical equipment), and, where appropriate, have digital capability for telemedicine. This includes equipment for the CHCs, and nursing clinics located around the islands and mobile equipment to deliver improved outreach services closer to where people live and increase capacity to respond in case of emergency. The contract terms are expected to include extended (three years) after-sales services for maintenance and repair.

(b) Procuring and installing the appropriate furniture for health care and administration services.

(c) Upgrading ICT and connectivity (data-sharing and broader telehealth options as well as to enable professional development and remote learning opportunities).

(d) Procuring and delivering transport vehicles, along with minor equipment and supplies necessary for adequate HCWM and a passenger transport and outreach vehicle, which includes access for the disabled.

(e) Providing technology support, to a limited extent, to referral centers for rehabilitation and other referral needs as may be determined as priority.

37. **The expected expenditures under this subcomponent include the medical and nonmedical equipment, furniture, and transportation.** The costs of the equipment would include extended warranty agreements and related training and installation services.

Component 3: Project and portfolio management (US$9.35 million equivalent, comprising U$9.15 million in IDA Grant financing and US$0.20 million in GOT counterpart financing)

Subcomponent 3.1: Project Management with enhanced hospital development advisory support (US$4.35 million equivalent in IDA Grant financing and US$0.20 million in GOT counterpart financing)

38. **This subcomponent will support project management activities including the establishment of the Project Management Unit (PMU) within the MOH and the recruitment of specific advisory support Component 2.** The PMU will be responsible for the day-to-day implementation, monitoring, and coordination of Components 1, 2, and 3.1. The PMU will report to the MOH and communicate with the World Bank on project implementation progress. This component will

finance recruitment of PMU staff, including a project manager, a health adviser, a project financial management (FM) specialist, a procurement officer, an E&S officer, and an assistant to broadly support the PMU, including its M&E and reporting functions; operating costs related to the functioning of the PMU; and, if needed, annual external audits for the project-related expenditures. The PMU will be supported by the CSU, the unit responsible for overall support and coordination of the World Bank portfolio. Additionally, the MOH plans to hire the United Nations Office for Project Services (UNOPS) to provide project management advisory services to support the PMU. Given the complexity of managing the hospital-related activities under Component 2 (including maintaining the site as a working and accessible hospital, multiple activities that require careful phasing and monitoring, and the need for rigorous attention to contract management and risk mitigation) and the lack of experience of the MOH in implementing World Bank projects, it has been agreed that the project would supplement the PMU with additional and professional project management expertise through the contracting of UNOPS. UNOPS' primary responsibilities will focus on supporting the implementation of Component 2. This includes providing at least one full-time, in-country expert with relevant engineering and project management skills. Additionally, UNOPS will have access to advisory support for contract management and specialized technical expertise, including biomedical engineering. This technical expertise will support the PMU in monitoring as well as provide inputs to the procurement process and monitoring of the environment, social, and stakeholder engagement. UNOPS would not provide any direct implementation, such as acting as a procurement agent.

39. **The expected expenditures under this subcomponent** include the costs associated with the contractual staff of the PMU, one office vehicle, operating costs including office rent, banking and other fees, procurement and other advertisements, audit, regular office equipment and furniture, workshop, and travel-related expenditures necessary for the operations of the PMU, and TA from UNOPS to support the MOH and its PMU to manage Component 2 activities.

Subcomponent 3.2: Central Services Unit (CSU), Capacity Building, and Technical Assistance (US$5 million equivalent in IDA Grant Financing)

40. This subcomponent will support the continuation of the CSU under MOF. The CSU's mandate remains the same – capacity building, support project preparation and implementation, and the implementation of CERC. The CSU will continue to act as backup for project implementation units in case of vacancies. In this new phase, the CSU will provide additional services, such as ICT-related enhancements (software and limited hardware), technical assistance to improve the governance of project implementation, conference and training for government civil servants and national consultants. The CSU will be responsible for developing systems and procedures for the World Bank portfolio in Tonga for faster preparation and implementation of projects. The staff composition of the CSU will remain the same as the current team of experienced experts in areas of procurement, financial management, environmental and social management, monitoring and evaluation, contract management, communication and training, office assistants, and other short-term consultants. The CSU will continue the use of framework agreements with consultants for on-call support. To strengthen the building of national capacity, CSU will seek to pair project officers with more experienced experts.

41. **The expected expenditures under this subcomponent** include the costs associated with the contractual staff of the CSU, other short-term consultants, equipment, software, operating costs, audit, workshops, training, and travel related costs.

Component 4: Contingency Emergency Response Component (CERC)

42. **Due to Tonga's vulnerability to climate change and severe weather events, this component is designed to provide swift response in an event of an eligible crisis or emergency, including natural disaster and climate change driven events, as needed.** The component will have a zero-fund allocation. The CERC manual will consider climate risks on both adaptation and mitigation as part of the CERC emergency response. For the CERC to be activated, and financing to be provided, the GOT will need to (a) submit a request letter for CERC activation and the evidence required to determine eligibility of the emergency, as defined in the CERC annex; (b) prepare an emergency action plan, including the emergency

expenditures to be financed; and (c) meet the E&S requirements as agreed in the emergency action plan and E&S management framework.

A summary of the Project costs is shown in Table 1

Table 1: Summary Project Cost by Component (in US$)

	Total Costs	Of which, IDA Grant	Of which, GOT Counterpart Funds[41]
1. Strengthen Tonga's prevention, detection, and control of NCDs	7.75	7.75	0.00
2. Improve the accessibility to resilient health services in the Northern Islands	19.55	13.10	6.45
3. Project and portfolio management	9.35	9.15	0.20
4. CERC			
Total	36.65	30.00	6.65

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Area OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

43. **The environmental and social risk for the project is assessed as moderate.** The project is expected to have long-term positive impacts, delivering improved healthcare outcomes. Whilst environmental and social (E&S) risks and impacts are present for the project, they are expected to be temporary, predictable, and readily managed through design and mitigation measures.

44. **Demolition and civil works required to rebuild PNWH have the potential to generate E&S impacts as does operation of a new incinerator.** Careful consideration of incinerator siting and type is required during the design phase to ensure it is fit for purpose, practical to use and that it will improve hospital HCWM. The design and supervision consultant will recommend the model, site, and housing for the incinerator with consideration of air quality impacts, and it will comply with requirements of the Environmental and Social Framework (ESF) and good international industry practice. The proposed incinerator location and specifications will undergo review by the World Bank and UNOP's technical specialists before confirmation.

45. **Construction stage environmental risks** include air quality impacts due to dust, noise impacts, construction waste management, hazardous materials management (including potentially asbestos and lead), sourcing of construction

[41] For the current fiscal year, 50% of the total counterpart funding is already secured and allocated to critical project activities. Specifically, this funding is earmarked for Component 2, covering the procurement of initial equipment, securing design services, and supporting hospital construction. A smaller portion of the counterpart funding, allocated under Component 3, has been committed to financing Year 1 contracts for key positions within the Project Management Unit (PMU), enhancing the project's implementation readiness. The remaining $3.3 million in counterpart funding is anticipated to be appropriated in the next financial year, with minimal risk to its availability. The source of funds is the budget support from the Government of Australia which ties its funding to specific agreed activities. The funding towards the PWNH redevelopment has been agreed. The GoT has a credibility in the execution of its appropriated budget.

materials from unsustainable sources and soil and erosion management during construction. Management of demolition waste will be a key risk due to limited waste facilities on Vava'u.

46. **Key social risks arising from the civil works** include risks related to labor and working conditions including occupational health and safety, community health and safety risks including dust, vibration and noises nuisances to health workers, patients and visitors in close proximity to the works as well as nearby communities. All civil works will take place entirely on government-owned land within boundaries designated to MoH for the hospital such that no land acquisition will be required. The risk of sexual exploitation and abuse/ sexual harassment (SEA/SH) has been assessed as Low, as civil works will take place entirely within in the PNWH site which will be easily monitored. Risks will be reassessed during preparation of the Environmental and Social Impact Assessment (ESIA) in consultation with SEA/SH service providers, and appropriate mitigation measures will be included in the Environmental and Social Management Plan (ESMP). Measures consistent with a low SEA/SH rating have been included in the draft Environmental and Social Commitment Plan (ESCP) and in the draft stakeholder engagement plan (SEP). There is a risk of exclusion of vulnerable or marginalized groups including women and people with visual, locomotor, and other disabilities in project design or inequalities in accessing enhanced health care services and activities to address NCD which will be addressed through project design. Social risks are site-specific and are expected to be small to medium in scale and magnitude, predictable, and readily managed through project design and standard social mitigation measures.

47. **Terms of reference have been prepared for the scoping assessment** for an ESIA and for preparation of the ESIA and an ESMP for hospital reconstruction and incinerator installation in accordance with the Environmental and Social Framework (ESF) and Good International Industry Practice (GIIP) requirements. The ESIA will be prepared by the design consultant based on the detailed design and will be finalized during implementation. The ESMP will include labor management procedures to guide the management of contract workers engaged for the hospital construction civil works and will include a worker's code of conduct.

48. **Operational stage risks include air quality impacts** because of incinerator operation as well as inappropriate HCWM and management of increased volume of healthcare waste as service delivery increases. These risks will be addressed via selection of appropriate incinerator technology, incinerator siting and investment in HCWM procedures, monitoring and trainings during implementation. During implementation, the PMU will be staffed with an E&S officer.

E. Implementation

Institutional and Implementation Arrangements

49. **The MOH will be the implementing agency, responsible for Components 1, 2, and 3.1.** The MOH has the overarching responsibility for the health sector and related policy oversight. Accordingly, at the project level, the MOH will have responsibility for implementation, planning, coordination, and achievement of the project activities under these components. The PMU, with support from the CSU and MOH management, will establish a multiagency Project Steering Committee responsible for facilitating project implementation where Government support is required, addressing key strategic issues that arise (that is, providing advice on any substantive changes), and ensuring regular reporting to the Government on project progress. The Project Steering Committee is expected to be established not later than one month after project effectiveness. The project manager and health adviser have been recruited. It is expected that the PMU will be established, with all the key staff, not later than three months from project effectiveness.

50. **UNOPS will be contracted to supplement the PMU with professional project/contract management, risk management, engineering, and specialized expertise.** UNOPS will provide at least one full-time person to be in Tongatapu with frequent travel to Vava'u to support the implementation of the activities under Component 2. That person would have expertise in complex project management, engineering, contract, and risk management. UNOPS will provide

additional short-term TA that would be required such as in biomedical engineering and quality review of the design, supervision services, and construction. The UNOPS TA would support the function of reporting, market outreach, technical evaluation, and environment, social, and stakeholder risk mitigation. At the same time, UNOPS would support discrete TA strengthening of the MOH's asset registry system. This support would be to supplement and not replace the function of the PMU and CSU.

51. **The MOF will be responsible for implementing Component 3.2 and, if triggered, Component 4.** The MOF will continue to manage and support the implementation of the CSU. The CSU will be responsible for CERC implementation (if activated), which will include developing and having approved the CERC Operations Manual, the execution and reporting of the project activities related to the CERC, and support to any project restructuring resulting from the CERC activation.

52. **The POM will detail all relevant implementation procedures and responsibilities for respective entities related to Component 1, 2 and 3.1.** The POM will be finalized by the PMU, based on the template and with oversight provided by the CSU, and revised and resubmitted to the World Bank for no-objection during implementation to reflect any changes the project may have. The POM is not meant to duplicate the key project documentation but will be value added on key areas that require an understanding of who will implement the project in accordance with the World Bank and GOT requirements. The POM would be approved no later than one month from project effectiveness.

53. **The MOH PMU will be responsible for overall fiduciary functions of Components 1, 2, and 3.1, including FM and procurement.** The PMU staffing will include a procurement specialist and an FM specialist. The CSU will provide additional support to facilitate the project's timely progress, as needed, and provide fiduciary capacity building activities for the PMU. The CSU will have fiduciary functions for subcomponent 3.2 and, if triggered, Component 4.

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