

30-Jan-2024

Hon. Tiofilusi Tiueti
Minister for Finance
Ministry of Finance
PO Box 87
Nuku'alofa
Kingdom of Tonga

Dear Hon. Minister

**Re: Kingdom of Tonga: Original Grant Number D389-TO and
Additional Grant Number D644-TO
Amendment to the Financing Agreement**

We refer to the Financing Agreement (“Financing Agreement”) between the Kingdom of Tonga (“Recipient”) and the International Development Association (“Association”) for the Tonga Climate Resilient Transport Project under the Pacific Climate Resilient Transport Program (“Project”), dated December 20, 2018, as amended. We also refer to the Recipient’s letter dated December 13, 2023, requesting some revisions be made to the Financing Agreement.


We are pleased to inform you that the Association concurs with your request and proposes to amend the Financing Agreement as follows:

1. Part 3 (g) of Schedule 1 to the Financing Agreement is hereby deleted in its entirety.
2. The indicators referred to in Section II.1 (**Projects Reports**) of Schedule 2 shall be the ones set forth in the Attachment to this amendment letter.

Except as specifically amended by this letter, all other provisions of the Financing Agreement shall remain unchanged and in full force and effect.

Please confirm your agreement to the foregoing on behalf of the Recipient by signing and dating two originals of this letter, retaining one original for your records and returning the other original to the Association. Upon receipt by the Association of the duly countersigned original of this letter, the amendments herein shall become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By 

Stephen N. Ndegwa
Country Director
Papua New Guinea & Pacific Islands
East Asia and Pacific Region

**AGREED:
KINGDOM OF TONGA**

By Tiofilusi Tiueti
Authorized Representative

Name Tiofilusi Tiueti

Title Minister for Finance

Date 12-Feb-2024

Results framework

COUNTRY: Tonga

Tonga Climate Resilient Transport Project

Project Development Objectives(s)

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.

Project Development Objective Indicators by Objectives/ Outcomes

| Indicator Name | PBC | Baseline | Intermediate Targets | | | | | End Target |
|---|-----|----------|----------------------|------|-------|-------|-------|------------|
| | | | 1 | 2 | 3 | 4 | 5 | |
| Improve resilience of transport sector, provide immediate response to Eligible Crisis or Emergency | | | | | | | | |
| Identified planning tools being used to improve climate resilience (Number) | | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Identified climate resilient investments constructed/rehabilitated and in use in the aviation and maritime sectors (Number) | | 0.00 | 0.00 | 0.00 | 1.00 | 4.00 | 4.00 | 4.00 |
| Identified enabling environment solutions implemented (Number) | | 0.00 | 0.00 | 1.00 | 1.00 | 2.00 | 3.00 | 3.00 |
| Roads constructed or rehabilitated with climate resilience measures (Kilometers) | | 0.00 | 0.00 | 0.00 | 10.00 | 20.00 | 28.00 | 28.00 |

| Indicator Name | PBC | Baseline | Intermediate Targets | | | | | End Target |
|---|--|----------|----------------------|-----|-----|-----|-----|------------|
| | | | 1 | 2 | 3 | 4 | 5 | |
| Action: This indicator has been Revised | Rationale: Due to the over-estimation during project preparation of the road works required including the finalization and changes in priority roads rehabilitations, further consideration of the effect of inflation to project cost and current capacity and capability of the local road contractors, the indicators related to this work will be revised. | | | | | | | |
| Climate resilient routine maintenance contracts in place and being implemented (Yes/No) | No | No | No | Yes | Yes | Yes | Yes | |

Intermediate Results Indicators by Components

| Indicator Name | PBC | Baseline | Intermediate Targets | | | | | End Target |
|--|--|----------|----------------------|-------|-------|-------|-------|------------|
| | | | 1 | 2 | 3 | 4 | 5 | |
| Component 2: Climate Resilient Infrastructure Solutions | | | | | | | | |
| Roads constructed or rehabilitated (Kilometers) | | 0.00 | 0.00 | 20.00 | 28.00 | 28.00 | 28.00 | 28.00 |
| Action: This indicator has been Revised | Rationale: Due to the over-estimation during project preparation of the road works required including the finalization and changes in priority roads rehabilitations, further consideration of the effect of inflation to project cost and current capacity and capability of the local road contractors, the indicators related to this work will be revised. | | | | | | | |
| Major ports and wharves where repair investments are made (Number) | | 0.00 | 0.00 | 1.00 | 3.00 | 3.00 | | 3.00 |
| Airport pavements rehabilitated (Number) | | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 1.00 |

| Indicator Name | PBC | Baseline | Intermediate Targets | | | | | End Target |
|---|-----|----------|----------------------|-------|-------|-------|--------|------------|
| | | | 1 | 2 | 3 | 4 | 5 | |
| People with enhanced access to transportation services (CRI, Number) | | 0.00 | | | | | | 63,000.00 |
| People with enhanced access to transportation services - Roads/Highways (CRI, Number) | | 0.00 | | | | | | 57,000.00 |
| People with enhanced access to transportation services – IWT/ Ferries (CRI, Number) | | 0.00 | | | | | | 6,000.00 |
| People with enhanced access to transportation services – Aviation (CRI, Number) | | 0.00 | | | | | | 4,000.00 |
| Component 3: Strengthening the Enabling Environment | | | | | | | | |
| Number of Island Groups with trained GBV focal people (Number) | | 1.00 | 0.00 | 0.00 | 1.00 | 2.00 | 3.00 | 3.00 |
| Instances when GBV codes of conduct are implemented on project activities (Number) | | 0.00 | 0.00 | 0.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Grievances registered related to delivery of project that are addressed (Percentage) | | 0.00 | 85.00 | 90.00 | 90.00 | 95.00 | 100.00 | 100.00 |
| Gap between percentage of female commercial license holders and male holders decreases - percentage points (Percentage) | | 70.00 | 70.00 | 69.00 | 69.00 | 67.00 | 66.00 | 65.00 |

| Indicator Name | PBC | Baseline | Intermediate Targets | | | | | End Target |
|---|---|----------|----------------------|------|------|------|------|------------|
| | | | 1 | 2 | 3 | 4 | 5 | |
| Action: This indicator has been Marked for Deletion | Rationale: <i>As a result of incorporating female commercial drivers licensing training program to TC RTP II.</i> | | | | | | | |
| Number of trainings delivered (Number) | | 0.00 | 0.00 | 0.00 | 2.00 | 4.00 | 5.00 | 5.00 |
| Component 4: Contingency Emergency Response | | | | | | | | |
| CERC POM approved (Yes/No) | | No | Yes | Yes | Yes | Yes | Yes | Yes |
| CERC-related procurement packages completed on time as per the procurement plan (percentage) (Percentage) | | 0.00 | 0.00 | | | | | 100.00 |