Tonga Renewable Energy Project under the Pacific Islands Renewable Energy Investment Program

- DESCRIPTION
- SDGS & TARGETS
- DELIVERABLES & TIMELINE
- RESOURCES MOBILIZED

Description/achievement of initiative

This project aims to help Tonga move away from fossil fuels and shift to renewables. The project will deliver utility-scale storage systems to provide base load response and grid stability, paving the way for more renewable energy integration in the main island, while green mini-grids will be installed in the outer islands. While stabilising the grid, this project will particularly address the intermittency of variable renewable energy sources, thus laying the foundation for private sector investments in renewable energy in Tonga.

Implementation methodologies

The project executing entities will be (i) the MFNP for the overall project implementation, especially for disbursement of funds; (ii) Tonga Power Limited (TPL) for Outputs 1 and 2; (iii) and the Ministry of Meteorology, Energy, Information, Disaster Management, Climate Change and Communications (MEIDECC) for Output 3. TPL and MEIDECC will be joint executing entities for Output 4 (Project Management Capacity Building). The PMU established in MEIDECC under the ongoing OIREP will also be the TREP-PMU. Figure 10 illustrates the project organizational arrangements. The PMU will provide the project management services to all executing entities. An Environment and Social Unit (ESU) will be formed by the PMU and will be tasked with all social and environmental monitoring and reporting for TREP. This will include regular environmental audits for all construction activities, as well as monitoring of all project activities in relation to resettlement and gender. The PMU will be staffed by (but not limited to) the following: a Project Manager; Ongrid Team Leader; Off-grid Team Leader; Administrative Officer; Financial and Procurement officer; and Environment and Social Safeguards Officer. Under Output 4, both project management consulting (PMC) and construction supervision consulting (CSC) services will be mobilized and, financed under TREP, to support PMU operations and support the capacity building activities. These organizational arrangements are designed to ensure optimal technology transfer and capacity development of MEIDECC, TPL staff and staff of other Tongan stakeholders.

Arrangements for Capacity-Building and Technology Transfer

Coordination mechanisms/governance structure

The Government of Tonga will be the grant beneficiary, represented by the Ministry of Finance and National Planning (MFNP). Under the direction of the MEIDECC Minister, a Project Steering Committee (PSC) will be established. The CEO of the MEIDECC will chair the PSC. The PSC members are: CEO of Ministry of Public Enterprises (MPE); CEO of Ministry of Finance and National Planning (MFNP); Head of the ED; CEO of TPL; ADB representative, and; Australian High Commission (AHC) representative. The Accredited Entity, ADB, and GCF shall enter into a funded activity agreement (FAA) after approval of (i) this funding proposal by the GCF Board; and (ii) the administration of the GCF grant by the ADB Board. After the FAA is signed by both ADB and GCF, ADB will enter into a Grant (subsidiary) Agreement with MFNP and a Project (subsidiary) Agreements with TPL. A representative from each co-financier would be allowed to participate in PSC meetings as observer.

Partner(s)

Asian Development Bank (ADB) Ministry of Finance and National Planning (MFNP) TONGA Ministry of Meteorology, Energy, Information, Disaster Management, Climate Change and Communications (MEIDECC) TONGA