GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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General Project Information

Project Title Enabling blue economy growth in Tonga	
Region Asia	GEF Project ID 12256
Country(ies) Tonga	Type of Project MSP
GEF Agency(ies): UNDP	GEF Agency ID 10352
Executing Partner Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communication (MEIDECC)	Executing Partner Type Government
GEF Focal Area (s) Biodiversity	Submission Date 12/22/2025
Project Sector (CCM Only)	

Taxonomy

Influencing models, Strengthen institutional capacity and decision-making, Stakeholders, Type of Engagement, Communications, Focal Areas, Convene multi-stakeholder alliances, Demonstrate innovative approache, Deploy innovative financial instruments, Beneficiaries, Behavior change, Participation, Consultation, Information Dissemination, Partnership, Capacity, Knowledge and Research, Knowledge Generation, Knowledge Exchange, Learning, Innovation, Theory of change, Adaptive management, Indicators to measure change, Gender Mainstreaming, Gender Equality, Women groups, Sex-disaggregated indicators, Gender-sensitive indicators, Participation and leadership, Gender results areas, Access and control over natural resources, Capacity Development, Awareness Raising, Knowledge Generation and Exchange, Protected Areas and Landscapes, Biodiversity, Mainstreaming, Species, Biomes, Financial and Accounting, Payment for Ecosystem Services, Productive Seascapes, Conservation Finance, Sea Grasses, Coral Reefs, Wetlands, Mangroves, Tourism, Threatened Species

Type of Trust Fund GET	Project Duration (Months) 60
GEF Project Grant: (a) 1,685,160.00	GEF Project Non-Grant: (b) 0.00
Agency Fee(s) Grant: (c) 160,090.00	Agency Fee(s) Non-Grant (d) 0.00
Total GEF Financing: (a+b+c+d) 1,845,250.00	Total Co-financing 9,795,665.00
PPG Amount: (e)	PPG Agency Fee(s): (f)

50,000.00	4,750.00
PPG total amount: (e+f) 54,750.00	Total GEF Resources: (a+b+c+d+e+f) 1,900,000.00
Project Tags CBIT: No NGI: No SGP: No Innovation: No Competitive Window: No	

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B “project description”.(max. 250 words, approximately 1/2 page)

Tonga supports a wide diversity of coastal-marine biodiversity and includes several species that are considered globally significant such as whales, dolphins, and sea turtles. Tonga's coastal-marine biodiversity also includes extensive coral reef that are home to 158 species of fish, 150 species of mollusks, 33 species of echinoderms, and 26 species of crustacean. It also includes mangroves (ten species) and seagrass beds (with five confirmed species) that provide nursery ground for many fish and crustaceans juveniles and habitat for adults. Tonga’s coastal-marine biodiversity is globally significant as it provides critical ecosystem services including the stabilization of sediments, contaminant filtration, nutrient cycling, and coastal protection; in addition, it support local livelihoods through fisheries and ecotourism and contribute to food security locally and globally. Threats to Tonga’s coastal-marine biodiversity include habitat loss and degradation, pollution, and climate change. The project’s objective is to advance Tonga’s sustainable blue economy through integrated governance, management, sustainable financing, and nature-based solutions (NbS) with environmental and socioeconomic benefits. The project will support transformational change through four interrelated components: 1) Strengthening governance and the policy framework for a blue economy; 2) Linking coastal-marine ecosystem conservation and NbS to Tonga’s blue economy; 3) Financing Tonga’s blue economy; 4) Knowledge management, communications and learning; and 5) Monitoring and evaluation. The project will overcome the following barriers: 1) Limited interinstitutional/sectoral coordination; 2) Incomplete legal framework to implement a blue economy and to address identified threats; 3) Limited financial opportunities to finance a blue economy; and 4) Limited information sharing and mechanisms for information management. Project’s strategy will deliver global environmental benefits, 500 ha of coastal and marine ecosystems under restoration, 30,000 ha of ha of marine habitat under improved practices and 39,283 tCO2e of greenhouse gas emissions mitigated (co-benefit). In addition, it will directly benefit 2,100 people (50% women). The project will last 5 years with a total investment of $11,663,473, $1,867,808 of which will be provided by the GEF.

Indicative Project Overview

Project Objective

To advance Tonga's sustainable blue economy through integrated governance, management, sustainable financing, and nature–based solutions (NbS) with environmental and socioeconomic benefits

Project Components

1. Strengthening governance, policy and planning framework for a blue economy

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
227,875.00	1,415,400.00

Outcome:

1.1. Effective gender-sensitive intersectoral/inter ministerial collaboration and coordination identifies opportunities and promotes the development of a blue economy in Tonga

Measured by:

A. At least three sectoral policies and plans (environment /natural resources, tourism, and ports and transportation) developed and/or updated

B. 30,000 hectares of Locally Managed Marine Area (LMMAs) with improved practices (CI 4)

C. At least 30% increase in women participation in intersectoral/inter ministerial collaboration and coordination efforts

Output:

1.1.1 Oceans 7 group strengthened, includes interministerial planning mechanism, the identification of coastal-marine ecosystem conservation opportunities

1.1.2. Tonga Marine Spatial Plan (MSP) revised and updated with the participation of IPCLs and considering local knowledge (gender-sensitive, climate and biodiversity-smart, and including scenario and trade-off analysis)

1.1.3. Guidelines for high seas protected areas developed

1.1.4. Key sectoral (e.g., energy, mining, and tourism) policies and plans developed, collated, and/or updated contribute to building policy coherence for a blue economy.

1.1.5. National monitoring framework for a blue economy developed and used to support decision making within the framework of the 2035 National Blue Economy Strategy

2. Linking coastal-marine ecosystem conservation and NbS to Tonga's blue economy

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
745,219.00	4,432,000.00

Outcome:

2.1. Coastal and marine ecosystems (e.g., mangroves, seagrass meadows, sea mounts, and coral reefs) valuation and mapping support ecosystem-based management improving blue-economy-related livelihoods and incomes

Measured by:

A. At least four ecosystem valuations (mangroves, seagrass meadows, sea mounts, and coral reefs) completed

2.2. NbS implementation and sustainable coastal-marine management strengthen the capacity of coastal-marine ecosystems to deliver environmental and socioeconomic benefits

Measured by:

A. 500 hectares of coastal and marine ecosystems (mangroves, seagrasses and coral reefs) restored and/or reconstructed (CI 3)
B. 100 hectares of artificial reefs developed
C. At least three sustainable tourism initiatives in coastal-marine ecosystem areas piloted with local communities
D. 2,000 local community members (at least 30% women) directly benefiting from NbS and a blue economy (part of CI 11)

Output:

2.1.1 Ecosystem valuation (e.g., mangroves, seagrass meadows, sea mounts, and coral reefs) completed using the SEEA's Ecosystem Accounting approach and integrating community knowledge, provide information to enhance ecosystem management and protection and to support sustainable livelihoods, and contribute to spatial planning and inform decision-makers for blue economy policy development through Component 1.

2.1.2. Coastal-marine ecosystems mapping (e.g., mangroves, seagrass meadows, sea mounts, and coastal lagoons) completed includes threat assessments to coastal and marine species habitats

2.2.1 Mangroves, seagrasses and coral reefs in biological important coastal-marine areas restored and regenerated considering local knowledge and women and youth involvement

2.2.2 Artificial reefs developed with the participation of IPLCs including women and youth (improve fisheries, habitat restoration that improve the status of the biodiversity, and coastal protection)

2.2.3. Sustainable tourism in special management areas (SMA) with community participation including women and youth and considering local governance mechanisms piloted

2.2.4. Humpback whale watching and swimming low impact management strategy implemented, including licensing and enforcement

3. Financing Tonga's blue economy

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
165,220.00	710,215.00

Outcome:

3.1. Innovative and sustainable financing supports NbS and Tonga's blue economy

Measured by:

A. At least three Intra-ministerial cooperation agreements established

B. USD 500,000 of funding leveraged annually to finance NbS and Tonga's blue economy

Output:

3.1.1 Intra-ministerial cooperation agreements established allow sharing capacities, pooling resources, and securing external financing to promote a sustainable blue economy.

3.1.2 Opportunities for innovative, sustainable financing to support a blue economy assessed (e.g., blue bonds, blue loans, equity instruments, Trust Fund, etc.) in line with the National Biodiversity Finance Plan currently under development as part of the Pacific BIOFIN Programme

3.1.3 Tonga's Ocean Trust Fund operationalized for the mobilization of new resources and the financial sustainability of NbS and Tonga's blue economy

4. Knowledge management (KM), Communications and Learning

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
320,700.00	1,862,000.00

Outcome:

4.1. Knowledge management and learning, gender mainstreaming, and stakeholder engagement effectively support project objectives and are fully integrated

Indicated by:

A. Number of KM products developed to promote a blue economy and share projects related experiences

B. Increased scores on the UNDP Capacity Development Scorecard for at least 100 stakeholders (government staff, local community members, private sector)

(Indicators and targets to be confirmed during the PPG phase)

Output:

4.1.1 KM platform developed to facilitate blue economy-related cooperation, coordination and collaboration, inter-sectoral and publicly.

4.1.2. KM products developed and shared with other Pacific Island countries and at the national and local levels

4.1.3. Formally accredited and informal capacity building program for advancing a blue economy implemented, including training of village committees and other local stakeholders

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
72,950.00	443,130.00

Outcome:

M&E assesses the project's impact and guides its adaptive management

Indicated by:

A. 100% of the M&E targets are timely met

B. 100% of plans related to UNDP's SES are implemented

C. > 80% of Gender Action Plan targets are met

Output:

M&E Framework developed and monitored

Project results reported, including Mid-term Review and Terminal Evaluation

Gender Action Plan, Stakeholder Engagement Plan, and other management plans related to the UNDP's Social and Environmental Standards (SES) implemented

Component Balances

Project Components	GEF Project Financing ($)	Co-financing ($)
1. Strengthening governance, policy and planning framework for a blue economy	227,875.00	1,415,400.00
2. Linking coastal-marine ecosystem conservation and NbS to Tonga's blue economy	745,219.00	4,432,000.00
3. Financing Tonga's blue economy	165,220.00	710,215.00
4. Knowledge management (KM), Communications and Learning	320,700.00	1,862,000.00

M&E	72,950.00	443,130.00
Subtotal	**1,531,964.00**	**8,862,745.00**
Project Management Cost	153,196.00	932,920.00
Total Project Cost ($)	**1,685,160.00**	**9,795,665.00**

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

1. **The Kingdom of Tonga (referred to as Tonga) is a Small Island Developing State (SIDS) comprised of 172 coral and volcanic islands with a total area of 747 square kilometers (km2), located in the Central South Pacific Ocean.[1][1] The islands, of which less than 50 are inhabited, are mainly composed of limestone formed from uplifted coral, while other islands are of volcanic origin. Tonga's Exclusive Economic Zone (EEZ) is about 700,000 km2 and comprises areas of the sea, seabed, and subsoil that are beyond and adjacent to the territorial sea of Tonga.[2][2] The country's Marine bioregions include four reef-associated bioregions and 21 deep-water bioregions. In addition, Tonga's terrestrial ecological zones are classed into drylands and wetlands. Dryland ecosystems include tropical moist forests, tropical grasslands and tropical volcanic crater zone. Moist forests are found along the coastal fringes of all the Tonga islands with species of Hibiscus, Calophyllum, Pometia, Casurina, Barringtonia, and Scaevola the most common. Wetlands ecosystems consist of mangroves, volcanic crater lakes on Niuafo'ou, Tofua, Kao and Late, brackish lagoons on Nomuka and 'Uta Vava'u, and a freshwater marsh near Tu'anuku on 'Uta Vava'u.[3][3]**

2. **Tonga supports a wide diversity of flora and fauna and includes several species that are considered globally significant, such as the oceanic humpback whale and the blue whale, sea turtles, and several endemic species. Flora includes 419 fern and angiosperm**

species. Tonga is also home to 20 species of terrestrial and sea birds with two of which are endemic to Tonga and near threatened, the Tongan whistler (*Pachycephala jacquinoti*) and the Polynesian megapode.[4][4] More than 100,000 sooty terns are estimated to breed in the volcanic crater on Fonualei. The volcanic islands of Late and Tofua have some of the best remaining high diversity native forest and still support large populations of birds and reptiles.[5][5] Ten major species of mangroves are present in Tonga. Coral reefs are widely distributed, and three reef types are found – fringing, barrier and submerged reefs, with 205 species reported. Reef species include 158 species of fish, 150 species of mollusks, 33 species of echinoderms, and 26 species of crustacean while pelagic species include 38 species of fish, 12 marine mammals, and 6 marine turtles[6][6]. Endangered or threatened pelagic species found in Tongan waters are humpback and blue whales, and hawksbill turtles, all of which are protected under Tongan legislation.

3. **Tonga's coastal-marine biodiversity is globally significant as it provides critical ecosystem services including the stabilization of sediments, contaminant filtration, nutrient cycling, and coastal protection. Mangroves, seagrass meadows, and coral reefs are all ecosystems of global importance and are ecosystems that are under threat globally (as well as nationally). In addition, Tonga's coastal-marine biodiversity supports local livelihoods through fisheries and ecotourism and contribute to food security locally and regionally. Globally significant biodiversity includes the following:**

Ecosystem/habitat	Species common or local name	Species scientific name	Conservation status (IUCN)
Open waters	Humpback whale	*Megaptera novaengliae*	Endangered
	Blue whale	*Balaenoptera musculus*	Endangered
	Spinner dolphin	*Stenella longirostris*	Least Concern
	Hawksbill turtle	*Eretmochelys imbricata*	Critically Endangered
	Green turtle	*Chelonia mydas*	Least Concern
	Bigeye tuna	*Thunnus obesus*	Vulnerable
	Yellowfin tuna	*Thunnus albacares*	Least Concern
	Albacore tuna	*Thunnus alalunga*	Least Concern
	Sooty tern	*Sterna fuscata*	Least Concern
	Spotted eagle ray	*Aetobatus narinari*	Endangered
Coral reefs	Blue Coral	*Heliopora coerulea*	Vulnerable

	Staghorn coral	*Acropora horrida*	Vulnerable
	Cactus coral	*Pavona cactus*	Vulnerable
	Fiji/Tonga yellow leather coral (endemic)	*Sarcophyton elegans*	Not Evaluated
	Black foxface (endemic)	*Siganus niger*	Vulnerable
	Green canary blenny (endemic)	*Meiacanthus tongaensis*	Least Concern
	Tongan Blackfin Damselfish (endemic	*Amblyglyphidodon melanopterus*	Least Concern
	Barberi clownfish (partially endemic)	*Amphiprion barberi*	Not evaluated
Mangrove forests	Samoan mangrove	*Rhizophora samoensis*	Near threaten
	"Tongolei" or "Tongo"	*Rhizophora stylosa*	Least Concern (but regionally threatened)
	Oriental Mangrove	*Bruguiera gymnorhiza*	Least Concern
	Milky mangrove	*Excoecaria agallocha*	Least Concern
	Cannonball mangrove "Lekileki" (rare)	*Xylocarpus granatum*	Least Concern
	"Lekileki" (rare)	*Xylocarpus moluccensis*	Least Concern
	"Hangale" (rare)	*Lumnitzera littorea*	Critically Endangered
	Looking-glass mangrove "Mamea" (rare)	*Heritiera littoralis*	Least Concern
	Bantigue tree	*Pemphis acidula*	Least Concern
Seagrass medows	Unknown	*Halodule pinifolia*	Least Concern
	Unknown	*Halodule uninervis*	Least Concern
	Paddle weed	*Halophila ovalis*	Least Concern
	Noodle seagrass	*Syringodium isoetifolium*	Least Concern
	Beaked tasselweed	*Ruppia maritima*	Least Concern

4. **The Tongan economy's base is agriculture, which contributes 30% to GDP while the industrial sector accounts for only 10% of GDP. The country is also highly dependent on external aid and remittances from the half of the country's population that lives abroad.**

The tourist industry is relatively undeveloped; however, the government recognizes that tourism can play a major role in economic development. Tourism growth, jointly with reconstruction spending, has contributed the recovery of country's economy from the impact of the Hunga Tonga-Hunga Ha'apai volcanic eruption and tsunami in January 2022.[7]

5. **Threats to Tonga's coastal and marine biodiversity include habitat loss and degradation, pollution and eutrophication of lagoons and coastal waters, and climate change. These threats stem from the expansion of urban areas that have resulted in the degradation of mangrove strips, which is worsened by waste dumping, the use mangroves for tannins (a pigment that is used to make dyes) for tapa making and medicine, and for firewood and building materials. Overexploitation and unsustainable use of marine resources have reduced fish population and damaged coral reefs; subsidies for fishing on overfished stocks and illegal, unreported, and unregulated (IUU) fishing are not aligned with blue economy and sustainable development goals.[8] Whale watching is a well-established activity in Tonga's open waters (Vava'u is an important calving ground for the Oceania humpback whale population[9]); however, overcrowding and swimming activities may have detrimental effects on whales. In addition, agricultural subsidies that promote intensive, chemical-dependent methods over sustainable agroecological farming systems have resulted in the excessive use of pesticide and fertilizers and runoff into lagoons and coastal waters has contributed to their pollution and eutrophication.[10],[11] Deep-sea mining and renewable energy development are emerging threats that may undermine ocean protection efforts; Tonga is actively involved in deep-sea mining exploration in collaboration with international companies for the exploitation of polymetallic nodules (nickel, cobalt, copper, and manganese), while seen as a potential economic driver if not properly regulated it may severely affect marine ecosystems and may affect fishing grounds. Tonga's renewable energy development, aiming for 70% renewable electricity by 2030 will promote solar and wind to replace imported fuel though large subsidies from international donors including the Asian Development Bank (ADB) and the governments of Australia and New Zealand; although this will improve energy security locally, will reduce reliance on fuel imports, and will generate cleaner energy there is a need to protect coastal ecosystems from related infrastructure development. The absence of an integrated and holistic land-use**

and marine planning approach, ineffective legislation and enforcement, and the lack of public awareness and support are also contributing factors.

6. **With an increase in climate change, there has been an increase in the frequency of occurrence and intensity of natural disasters, such as cyclones. In addition, climate change and sea level rise have escalated the risks and severity of tsunamis, which are a threat to the country. Tonga's island groups have observed historical warming of around 0.6°C between 1979 and 2018. Although warming is predicted to take place at a rate slightly lower than the global average, the highest emissions pathway (RCP8.5) projects an increase in temperature around 2.6°C by the end of the century.[12][12] The annual rainfall is from 1,700 to 2,970 millimeters per year.[13][13] Potential threats to biodiversity and human well-being and natural ecosystems include increased in heat waves, intensified cyclones, saline intrusion, and flooding. Tonga faces a potential long-term threat from permanent inundation and wave-driven flooding, which may cause a significant displacement of communities.[14][14]**

7. **Biodiversity and the natural environment of Tonga face extreme pressure, and loss of some species of fish, coral, birds, and terrestrial species is likely without very effective conservation measures. These measures include nature-based solutions (NbS) that is defined as "actions to protect, sustainably manage and restore natural and modified ecosystems in ways that address societal challenges effectively and adaptively, to provide both human well- being and biodiversity benefits."[15][15] In addition, the loss of biodiversity and environment degradation has significant implications for the human health, well-being, and economic development of all Tongans. This includes reduced food security, decline in ecosystem services and increased exposure to pollutants and pathogens, economic losses, and increased vulnerability to natural disasters such as flooding and tsunamis.**

Future trends

8. **There are three potential simple future narrative scenarios for Tonga to address the system drivers that threaten the country's coastal and marine ecosystems and that may limit the development of a blue economy.**

9. **In a future scenario of sustainable growth and coastal-marine biodiversity conservation, Tonga successfully implements a blue economy and sustainable**

management practices. Economic growth continues a steady pace driven in part by the sustainable use of coastal and marine resources and biodiversity-friendly tourism. The government enforces new sectoral policies to advance a green economy and to reduce threats to coastal and marine diversity, backed by innovative and sustainable financial solutions and enhance in-country capacity for biodiversity conservation. As the outcome of this scenario, the loss of coastal and marine biodiversity loss slows down; ecosystem services improve, benefiting coastal communities and reducing their vulnerability to climate change and natural disasters; Tonga become a model for ensuring costal and marine ecosystem health in the South Pacific attracting international support and funding for future biodiversity conservation initiatives.

10. **In a future scenario of economic growth with environmental degradation, Tonga experiences rapid economic growth driven by the intensive use of natural resources, intensification of agriculture, coastal urbanization, deep-sea mining, and renewable energy development. However, this growth comes at the expense of the environment. Coastal and marine ecosystems suffer from pollution, degradation, overfishing, and unchecked mining and tourism development. Enforcement will remain weak and the lack of public awareness and support will be normalized. The development of a sustainable blue economy in Tonga will be curtailed by inadequate governance, policy, and planning frameworks and lack of tailored finance solutions. As the outcome of this scenario, the loss of costal and marine biodiversity accelerates, ecosystem services are further degraded, coastal communities become vulnerable to natural disasters and climate change; Tonga's reputation in the South Pacific suffers and the country faces pressure to adopt more environmental-friendly practices.**

11. **In a future scenario of climate change, naturals disasters, and socioeconomic challenges, Tonga faces significant tests due to the impacts of climate change, including increased temperatures, drought, flooding, tropical cyclones and storms, and rising sea levels, as well as from tsunamis and volcanic eruptions. These changes exacerbate environmental degradation and socioeconomic problems. Economic growth slows as Tonga faces the costs of adaptation and disaster recovery. Coastal and marine ecosystems are severely affected with coral reefs, seagrasses, and mangroves suffering extensive damage. Fisheries and agricultural productivity declines, leading to food insecurity and increased pressure on coastal and marine natural resources. Efforts to develop a blue economy are stalled by limited institutional and financial capacity. The main outcomes of this scenario are the rapid loss of coastal and marine biodiversity, with many species unable to adapt to the changing conditions, the deterioration of ecosystems services, reducing the resilience of coastal communities to climate impacts and natural disasters and their adaptation capacity; Tonga becomes increasingly dependent on international aid and technical assistance to address its environmental and socioeconomic challenges.**

Baseline

12. **Tonga has made significant progress in developing a legal and institutional framework for the conservation and sustainable use of biodiversity and ocean resources. Project-related legislation includes:**

- **Environment Management Act 2010;**
- **Environmental Impact Assessment Act 2003;**
- **National Spatial Planning and Management Act 2012;**
- **Tourism Authority Act 2012;**
- **Parks and Reserves Act 1976 (revised 1988);**
- **Maritime Zones Act 2013;**
- **Fisheries Management Act 2002;**
- **Marine Pollution Prevention Act 2002;**
- **Waste Management Act 2005.**
- **Seabed Minerals Act 2014;**
- **Renewable Energy Act 2008;**
- **Whale Watching and Swimming Act 2009.**

13. **The Tonga Strategic Development Framework (TSDF II), 2015-2025 provides an overarching framework for the long-term development of Tonga. One of the National Outcomes under the TSFD is a more inclusive, sustainable and effective land administration, environment management, and resilience to climate and risk; while Pillar 5: Natural Resources and Environment Inputs, sets the framework for environmental planning and management, and risk reduction. The TSDF also seeks to find a balance between social, economic, and environmental needs in the short and long term. With the context of the TSDF, Tonga has developed the National Ocean Policy as an effort to sustainably manage the country's marine resources, emphasizing the ocean's role in supporting livelihoods and economic development. The Ocean Management Plan ensures the sustainable management of the country's EEZ and recognizes marine spatial planning provides an integrated holistic approach to ocean management. In addition, the National Ocean Management Bill has been recently submitted to the National Parliament for approval and which will enable, among other things, for the development of the 2035 Blue Economy Strategy and its implementation plan.**

14. **The Tongan Government recognized the importance of spatial management, including of its ocean, since 2012, with the launch of the National Spatial Planning and Management Act. Within this context, the Tonga's marine spatial planning technical working group known as Oceans 7 was established. The Oceans 7 is co-chaired by the Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change & Communications (MEIDECC); Ministry of Lands and Natural Resources (MLNR); and the Ministry of Fisheries (MoF); it also includes the Ministry for Finance and**

National Planning, the Ministry for Internal Affairs, the Ministry for Tourism, the Ministry of Infrastructure (Marine Division), and Tonga Ports Authority.

15. The Oceans 7 were instrumental in the development of Tonga's Ocean Management Plan, which was officially approved in 2021. The overarching aim of eh Plan is "ecologically sustainable social and economic development of Tonga's ocean for the benefit of all Tongans" through a holistic, inclusive and integrated approach to ocean management. In line with the Tonga Ocean Management Plan, Oceans 7 has developed a Strategic Framework for Tonga's Blue Economy to: a) align Tongan stakeholders on a shared definition and vision for Tonga's blue economy; b) collate Tonga's blue economy-relevant planning, policies and economic activities to date, and c) guide the development of Tonga's 2035 National Blue Economy Strategy. Oceans 7 will build on the blue economy framework to develop a blue economy strategy including goals, methods and measures that will guide Tonga's blue economy development efforts through 2035.

16. As part of the Fisheries Management Act 2002, Tonga's Special Management Area (SMA) program was established to protect biodiversity, reverse overfishing, and reduce habitat degradation. SMAs are community-based, legally recognized locally managed marine areas (LMMAs) originally designed under the leadership of the Ministry of Fisheries to restore coastal resources and Coastal Community Management Committees (CCMCs) are the related governance mechanism for enforcement. The Tonga Ocean Management Plan (2021), links SMAs to broader national marine protection.

17. Th current landscape of investments include:

- UNDP GEF-7 Implementation *of the Fanga'uta Lagoon Stewardship Plan and Replication of Lessons Learned to Priority Areas in Vava'u (Tonga R2R Phase 2)* (GEF Project ID 10518), with the objective to implement the Fanga'uta Stewardship Plan (FSP) for strengthened integrated management of the Fanga'uta Lagoon and to replicate lessons learned from the Tonga R2R Phase I to priority areas in Vava'u. This project is part of the GEF ridge to reef initiate aiming at promoting integrated management to improve climate resilience, biodiversity, and livelihoods by linking land use to coastal ecosystem health.
- UNDP/GEF-8 *Umbrella Programme to Support Development of Biodiversity Finance Plans (GEF Project ID 11054)*. The objective of the Programme is to enable countries to mobilize resources at scale to implement the Post-2020 Global Biodiversity Framework by supporting baseline diagnostics, capacity building, institutional arrangements and development of biodiversity financing plans. As part of this initiative, a National Biodiversity Finance Plan will be developed by UNDP's Biodiversity Finance Initiative (BIOFIN) in coordination with the Government.
- UNDP/GBFF project *Strengthening capacities for ecosystem management through effective planning, financing and monitoring of protected areas.* This GBFF proposal will allow enhancing sustainable management of marine and terrestrial ecosystems

through strengthened planning, financing, monitoring and inclusive local community participation in Fiji, Nauru, and Tonga.

- The Tonga *Coastal Resilience Project* strengthens climate resilience on Tongatapu through multi-stakeholder adaptation planning, improved risk monitoring, and 4.3 km of Hahake coastal protections, benefiting over 3,600 people and sustainable land use. Synergistically, it supports the Tonga Blue Economy by supplying climate-informed spatial plans, LiDAR/risk maps, and NbS-based protections that align with coastal-marine ecosystem restoration, governance, financing for marine biodiversity, integrated ocean management, and tourism/fisheries opportunities.

18. The baseline investments, including those from national and subnational institutions will be fully assessed during the PPG phase.

19. Tonga ratified the Convention on Biological Diversity (CBD) in May 1998. In doing so, it confirmed its commitment to implement actions at the national level to conserve, sustainably use and protect its biological diversity as its contribution to the conservation and protection of global biodiversity. In addition, Tonga is signatory of the United Nations Convention on the Law of the Sea (1994), the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (1972; the London Convention and the updated London Protocol 1996), the UN Fish Stocks Agreement (2001), and the International Convention for the Prevention of Pollution from Ships (1973). In addition, in 1998 Tonga acceded to the United Nations Framework Convention on Climate Change and is a party of the Paris Agreement (2016).

20. Despite the national progress to develop Tonga's blue economy there are barriers that impede the effective integration of blue economy as part of country's marine planning strategy and sustainable development priorities: 1) Limited interinstitutional coordination with prevailing sectoral interests and silo thinking; 2) Incomplete legal framework to implement a blue economy and to address threats to coastal-marine ecosystems, including regulations under existing policies (e.g., Tonga Ocean Management Bill) and for new emerging issues (e.g., EAI regulations for renewable energy and deep-sea mining); 3) Few available solutions to support ecosystem-based management; 4) Limited financial opportunities and mechanisms to finance a blue economy; and 5) Limited information sharing and mechanisms for information management for decision-making, and to build local awareness and support for the conservation and sustainable use of the country's coastal and marine biodiversity.

21. To overcome the above barriers and address threats costal and marine biodiversity, funding is requested from the GEF for a project that will strengthen existing collaboration mechanisms between key stakeholders in Tonga for developing a sustainable blue economy and delivering multiple environmental, social, and economic benefits. Through the strengthening of governance and the national policy framework, enhancing intraministerial cooperation and assessing opportunities for innovative financing, and

the implementation NbS, Tonga will be better positioned to address biodiversity loss, restore, protect and maintain productive and resilient coastal and marine ecosystems, while supporting local livelihoods and economic development. In addition, it will contribute to meet inter-connected targets such as the Sustainable Development Goals, the Global Biodiversity Framework, and the Paris Agreement.

22. **This strategy will be implemented in collaboration with multiple national and local stakeholders, including women, who will be instrumental in delivering the GEBs as follows:**

Stakeholders	Relevant Roles / Participation in project preparation
National Level	
Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communication (MEIDECC)	MEIDECC will be the National Executing Agency collaborating with national stakeholders and houses the GEF Operational Focal Point in Tonga. MEIDECC is responsible for developing and implementing national environmental policies and for environmental protection and conservation efforts within Tonga. MEIDECC's Department of Environment is responsible for promoting the conservation of biodiversity, sustainable use and management of natural resources, whilst maintaining ecosystem services. MEIDECC will play a key role during project preparation through its contribution to defining the project's technical activities and governance structure. In addition, it will contribute by engaging other key stakeholders and leading interinstitutional discussions related to the design of the project.
Ministry of Lands and Natural Resources (MLNR)	MLNR administers all matters concerning the lands of the Kingdom of Tonga under the Tongan Constitution and Land Act. Ensure that the laws of the Kingdom of Tonga relating to the management and protection of lands and natural resources are implemented, enforced and reviewed, in accordance with national and international obligations to global conventions and laws. As a member of Oceans 7 it will participate in the project preparation by providing recommendations to ensure that the project contributes to the development of a blue strategy for Tonga.
Ministry for Tourism (MoT)	The MoT is responsible for developing the country's tourism sector, with the vision of creating a growing, sustainable, and resilient tourism industry that enhances Tonga's culture and heritage, supports a healthy environment, and increases wealth for all Tongans. As a member of Oceans 7 it will participate in the project preparation by providing recommendations to ensure that the project contributes to the development of a blue strategy for Tonga. It will also support the identification of actions needed for piloting sustainable tourism in SMA/LMMA with community participation.
Other ministries/members of Oceans 7 (Tonga's marine spatial planning technical working group)	Ministry of Fisheries (MoF), Ministry for Finance and National Planning, Ministry for Internal Affairs, Ministry of Infrastructure (Marine Division), and Tonga Ports Authority. As a member of Oceans 7 they will participate in the project preparation by providing recommendations to ensure that the project contributes to the development of a blue strategy for Tonga.
Ministry of Education and Training (MET)	MET is responsible for leading, managing, and developing Tonga's education sector. It is anticipated that the data generated by the project will be shared with the MET as part of the knowledge management and learning strategy (Component 4). During the PPG, the project design team, in coordination with MEIDECC, will contact MET to established how the data provided may be included in the scholar curriculum.
Local communities	As project beneficiaries, local communities will have special consideration in the design of project activities for the implementation of NbS, access to financial mechanisms to address biodiversity loss, capacity building, and awareness-raising activities. Appropriate information, communication, participatory procedures, and consultations will be ensured during project preparation and implementation in accordance with UNDP's SES requirements. Special consultations will be conducted with women during the PPG as part of a Gender Analysis and their views and needs will be considered as part of the project's Geder Action Plan to be developed during the PPG.
Private sector	The private sector will be engaged during project preparation for collaborative planning and financing. The potential for private sector engagement, including project cofinancing, will be fully assessed during the PPG phase in complete alignment with UNDP´s private sector due diligence policy.

Non-governmental organizations (NGOs) and Civil Society Organizations (CSOs)	The project will seek collaboration with local NGOs (e.g., MORDI, Friends of Tonga, TYNC, Vava'u Environmental Protection Association, and women groups to be identified and consulted during the PPG phase) during project preparation for define actions for the implementation of NbS and strengthen local governance for building a blue economy. As part of the stakeholder analysis to be conducted during the PPG, additional NGOs and CSOs will be identified.
Universities and Research Institutions	The project will work with research and universities such as the Tonga National University, the Vava'u Environmental Protection Association (VEPA), the Waitt Institute, and IUCN, which have experience in SMAs/LMMAs, marine spatial planning, and enhance coastal resilience and combat environmental threats through NbS (e.g., mangrove restoration that improves the status of the biodiversity, MPAs). During the PPG, the creation of a Technical Advisor Committee that will provide support to the MEIDECC and the Project Management Unit will be explored and which will allow for knowledge and data exchange to maximize project outcomes.
International cooperation	For example, MACBIO, IUCN, Waitt Institute, and others to be determined during the PPG. Wil play a role by providing information to support the design of the project; their role as potential project co-financiers will be explores during the PPG phase.

[1] Climate Risk Country Profile: Tonga (2021): The World Bank Group. https://climateknowledgeportal.worldbank.org/sites/default/files/country-profiles/15823-WB_Tonga%20Country%20Profile-WEB.pdf

[2] https://pacific-data.sprep.org/dataset/tonga-exclusive-economic-zone-200-nautical-mile

[3] National Biodiversity Strategy & Action Plan. Department of Environment, June 2006.

[4] Tonga's Fifth Review Report on the National Biodiversity Strategy and Action Plan 2014.

[5] Comprehensive Desktop Review of Biodiversity, Conservation and Invasive Species Information for the Kingdom of Tonga Compiled for the Secretariat of the Pacific Region Environment Programme (SPREP). Shyama N Pagad Programme Officer IUCN SSC Invasive Species Specialist Group/ University of Auckland, March 22 2013

[6] National Biodiversity Strategy & Action Plan. Department of Environment, June 2006.

[7] ADB's Asian Development Outlook. South Pacific Economies. https://www.adb.org/sites/default/files/publication/1044336/spe-ado-april-2025.pdf

[8] In September of 2025, Tonga officially submitted its acceptance of the WTO Agreement on Fisheries Subsidies (https://www.wto.org/english/news_e/news25_e/fish_15sep25_e.htm).

[9] Fiori L, Martinez E, Orams MB, Bollard B. Effects of whale-based tourism in Vava'u, Kingdom of Tonga: Behavioural responses of humpback whales to vessel and swimming tourism activities. PLoS One. 2019 Jul 5;14(7):e0219364. doi: 10.1371/journal.pone.0219364. PMID: 31276544; PMCID: PMC6611604.

[10] https://www.cbd.int/countries/profile?country=to

[11] National Biodiversity Strategy & Action Plan. Department of Environment, June 2006.

[12] Climate Risk Country Profile: Tonga (2021): The World Bank Group and the Asian Development Bank.
https://climateknowledgeportal.worldbank.org/sites/default/files/2021-06/15823-WB_Tonga%20Country%20Profile-WEB.pdf

[13] Tonga's Fifth Review Report on the National Biodiversity Strategy and Action Plan 2014

[14] Ibid.

[15] IUCN (2016). Cohen-Shacham, E., Walters, G., Janzen, C. and Maginnis, S. (eds.) Nature-based Solutions to address global societal challenges. Gland, Switzerland: IUCN. xiii + 97pp.

B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance here

Theory of Change

23. Based on the background and baseline information provided in the Project Rationale, the following GEF project will address the four barriers that impede the effective integration of blue economy as part of country's development priorities and will significantly contribute to a future scenario of sustainable growth and coastal-marine biodiversity conservation described in the previous section. The Project Theory of Change (ToC; Figure 1) is as follows:

24. The project objective is to advance Tonga's sustainable blue economy through integrated governance, management, sustainable financing, and NbS with environmental and socioeconomic benefits. The GEF investment will reduce threats to coastal marine diversity affected by habitat loss and degradation, pollution, and competing uses. The project will support transformational change through four interrelated components, and the project's Theory of Change is discussed per component. The project's four components are as follows:

- Component 1: Strengthened governance, policy, and planning framework for a blue economy
- Component 2: Linking coastal-marine ecosystems and NbS to Tonga's blue economy
- Component 3: Financing of Tonga's blue economy
- Component 4: Knowledge management (KM), communication, and learning

25. Component 1: Strengthened governance, policy, and planning framework for a blue economy. This component will be achieved by strengthening the interministerial Oceans 7 group (MEIDECC, MLNR, MoT, MoF, Ministry for Finance and National Planning, Ministry for Internal Affairs, Ministry of Infrastructure/Marine Division, and Tonga Ports Authority) including a joint planning mechanism for policymaking and the management of coastal-marine ecosystems and blue economy. It will also include

revising and updating the Marine Spatial Plan (MSP), which was initially adopted in 2020 with the aim of ensuring the sustainable, economic, and ecological management of Tonga's EEZ, including the expansion of the network of marine protected areas. The MSP needs to be updated in line with Tonga's recent international commitments for marine protection and management and the recently approved Ocean Management Act 2025. This will include new designations for marine management, sustainable use, and habitat protection particularly for deep-sea areas, and the support of community-led SMA /LMMA (both coastal and marine) following the success of Tonga's SMA program; 30,000 ha of SMA/LMMAs will directly benefit from the project. The updated MSP will include the participation of IPCLs (including women and the youth) and will consider local knowledge. In addition, it will integrate biodiversity protection into sectors using sustainable practices to reconcile development with marine health. Different planning scenarios will be considered to compare the costs for implementation, risks, and benefits of different options. The project will also develop guidelines for high seas protected areas. Key sectoral policies and plans will be developed, collated, and/or updated so that policy coherence is built to advance a for a blue economy. This may include developing environmental impact assessment (EIA) regulations for renewable energy and deep-sea mining; supporting the development of a diving Bill to protect open sea species (e.g., whales) and coral reefs in consultation with the private sector; and the development of a national monitoring framework for a blue economy to support the implementation of the 2030 National Blue Economy Strategy that will be developed by the Government following the approval of the Ocean Management Act A full assessment of existing policies and needs will be conducted during the PPG phase of the project.

26. IF the project strengthens governance, policy, and planning frameworks for the blue economy by enhancing gender-sensitive intersectoral and interministerial collaboration through the Oceans 7 group and joint planning mechanisms (e.g., Tonga's MSP), and IF key sectoral policies are developed, updated, and aligned with new regulations and standards (e.g., for renewable energy, deep-sea mining, marine species protection), and a national monitoring framework for the blue economy is established and operationalized, then THEN Tonga will have a coherent, integrated policy environment that supports sustainable blue economy development and decision-making will be evidence-based, coordinated, and effective in implementing the 2035 National Blue Economy Strategy; and together, IF all these outputs are achieved and institutional collaboration becomes effective and gender-sensitive; THEN the outcome will be an enhanced capacity within Tonga to identify opportunities and promote sustainable blue economy development through intersectoral coordination, leading to improved governance and sustainable management of marine and coastal resources. The barriers of limited interinstitutional coordination with prevailing sectoral interests and of an incomplete legal framework to implement a blue economy and to address threats to coastal-marine ecosystems that currently prevents this outcome from being achieve will be overcome through the previously mentioned enablers (outputs). The related key assumption outlined in Figure 1 is: A1 - Sufficient and ongoing political will and coordination at national level to promote a blue economy. Component 1 is based on the GEF8 Lever 1 – Governance and Policy, and Lever 3 – Multi-Stakeholder Dialogues.

27. The work under Component 1 is aimed at providing these needed strategic outputs:

1.1.1. Oceans 7 group strengthened, includes interministerial planning mechanism and the identification of coastal-marine ecosystem conservation opportunities.

1.1.2. Tonga Ocean Policy and Marine Spatial Plan (MSP) revised and updated with the participation of IPCLs and considering local knowledge (gender-sensitive, climate and biodiversity-smart, including scenario and trade-off analysis)

1.1.3. Guidelines for high seas protected areas developed.

1.1.4. Key sectoral (e.g., energy, mining, and tourism) policies and plans developed, collated, and/or updated contribute to building policy coherence for a blue economy.

1.1.5. National monitoring framework for a blue economy developed and used to support decision making within the framework of the 2035 National Blue Economy Strategy.

28. In combination these outputs will ensure the following outcome:
1.1. Gender-sensitive effective intersectoral/inter ministerial collaboration and coordination so that the country will be better position to development of a blue economy.

29. Component 2: Linking coastal-marine ecosystem conservation and NbS to Tonga's blue economy. This component will allow estimating, with the participation of NGOs and local communities, including women and all of which will be actively involved during the PPG process, the value of coastal and marine ecosystems (e.g., mangroves, seagrass meadows, sea mounts, and coral reefs), providing valuable information for ecosystem-based management and for improving blue-economy-related livelihoods and incomes. The project will use an ecosystem accounting approach based on the United Nations System of Environmental-Economic Accounting (SEEA; https://seea.un.org/ecosystem-accounting); it is a spatial approach to ecosystem accounting that enables the presentation of data and indicators of the level and value of ecosystem extent, ecosystem condition, and ecosystem services in both physical and monetary terms in a spatially explicit way. It will also integrate community knowledge, perceptions, and local values. Biophysical assessments will contribute to ocean spatial planning while monetary estimates and local knowledge and perceptions will provide information for decision-makers for blue economy policy development (Component 1) and for raising local awareness of the importance of coastal and marine ecosystems. Other valuation methods will be explored (e.g., cost/damage-based methods; market-based methods; contingent valuation method; productivity method; benefit transfer method etc.) in the ecosystem valuation process in order to provide different options to inform ecosystem management and protection. In addition, the project will make use of natural capital accounting results to be conducted in Tonga through the GBFF Project "Strengthening capacities for ecosystem management through effective planning, financing and monitoring of protected areas" currently under development. A preliminary assessment of the most appropriate valuation methods will be conducted during the PPG. In addition, the mapping of coastal-marine ecosystems (e.g., mangroves, seagrass meadows, sea mounts, and coastal lagoons) will completed and threats assessed so that the importance of these ecosystems is further recognizes in national policies (see Component 1) and integrated in coastal and marine management activities for their conservation and as part of the solutions to mitigate climate change.

30. This component will also allow the implementation of NbS with the active participation of local communities, CSOs, women and women groups to protect coastal and marine biodiversity and sustainably manage and restore coastal-marine ecosystems while delivering environmental and socioeconomic benefits. This will include restoring and regenerating mangroves, seagrasses, and coral reefs with women and youth involvement and considering climate-smart planning and management, local knowledge, and the ecosystem mapping mentioned previously. Artificial reef development will be piloted contributing to improve fisheries, habitat restoration that improve the status of the biodiversity, and coastal protection. National and local stakeholders (including women and youth) will receive training in restoration techniques. The project will also involve the tourism sector and work with the Ministry of Tourism to promote sustainable tourism in SMA/LMMA with community participation; in addition, to implement a low impact management strategy for humpback whale watching, including licensing and enforcement to reduce vessel and swimming overcrowding.

31. IF the project links coastal-marine ecosystem conservation and NbS to Tonga's blue economy by conducting ecosystem valuations, completing ecosystems mapping, restoring degraded areas of mangroves, seagrasses and coral reefs, and by promoting sustainable tourism practices, including the management of this activity in SMA/LMMA with community participation and strengthened local governance and promoting low-impact humpback whale watching and

swimming; THEN the outcome will be the enhance management of coastal and marine ecosystems and of livelihoods based on more complete ecological and socioeconomic information and NbS. The barrier of few available solutions to support ecosystem-based management that currently prevents this outcome from being achieved will be overcome through the previously mentioned enablers (outputs). The related key assumptions outlined in Figure 1 are: A2 – Optimal sampling efforts and information available to assess coastal-marine ecosystem values; and A3 – Multi-stakeholder partnerships to support a blue economy are maintained. Component 2 is based on the GEF8 Lever 4 – Innovation and Learning.

32. The work under Component 2 is aimed at providing these needed strategic outputs:
2.1.1 Ecosystem valuation (e.g., mangroves, seagrass meadows, sea mounts, and coral reefs) completed the SEEA's Ecosystem Accounting approach and integrating community knowledge, provide information to enhance ecosystem management and protection and to support sustainable livelihoods, and contribute to spatial planning and inform decision-makers for blue economy policy development through Component 1.
2.1.2. Coastal-marine ecosystems mapping (e.g., mangroves, seagrass meadows, sea mounts, and coastal lagoons) completed, includes threaten assessments to coastal and marine species habitats.
2.2.1 Mangroves, seagrasses and coral reefs in biological important coastal-marine areas restored and regenerated considering local knowledge and women and youth involvement.
2.2.2 Artificial reefs developed with the participation of IPLCs including women and youth (improve fisheries, habitat restoration that improve the status of the biodiversity, and coastal protection).
2.2.3. Sustainable tourism in special management areas with community participation including women and youth and considering local governance mechanisms piloted.
2.2.4. Humpback whale watching and swimming low impact management strategy implemented, including licensing and enforcement.

33. In combination these outputs will ensure the following outcomes:
2.1. Coastal and marine ecosystems (e.g., mangroves, seagrass meadows, sea mounts, and coral reefs) valuation and mapping support ecosystem-based management improving blue-economy-related livelihoods and incomes.
2.2. NbS implementation and sustainable coastal-marine management strengthen the capacity of coastal-marine ecosystems to deliver environmental and socioeconomic benefits.

34. Component 3: Financing of Tonga's blue economy. This component will allow developing innovative and sustainable financing for NbS and Tonga's blue economy. Assessing the current funding support for developing and implementing policies and plans related to coastal-marine ecosystems in Tonga is key to implementing blue economy actions. Preliminary assessments indicate that actions to strengthen the financial environment for a blue economy may include, establishing intra-ministerial cooperation agreements (e., MEIDECC, MoF, MoT, and Ministry for Finance and National Planning) as a strategy to maximizing outcomes by sharing capacities, pooling resources, and joining efforts to securing external financing and engaging non-public actors, including the (e.g., marine tourism, marine energy, and marine transportation); private sector actors will be further defined during the PPG and involve in the project design process. In addition, opportunities for innovative financing to support a blue economy (e.g., payment for ecosystem services, blue bonds, blue loans, equity instruments, etc.) will be assessed. The project will coordinate actions with the GBFF project and Pacific BIOFIN Programme to maximize the delivery of results. In addition, it will operationalize Tonga's Ocean Trust Fund allowing for the mobilization of new resources and the financial sustainability of NbS and Tonga's blue economy. The Ocean Trust Fund was designed to support ocean protection and management, and it will enable investing in sustainable industries such as ecotourism, ocean renewable energy, and aquaculture. It is a financial mechanism anchored within Tonga's National Ocean Policy and the 2050 Strategy for the

Blue Pacific Continent. Whether the Private Sector will be part of the project's financial solutions will be further reviewed during the PPG phase, but the Private Sector is expected to play a role in the various sustainable livelihood activities, including marine tourism such as whale watching and diving operations.

35. IF the project is able to finance Tonga's blue economy by establishing intra-ministerial cooperation agreements that are conducive to sharing capacities, pooling resources, and securing external financing to promote a sustainable blue economy, and by assessing opportunities for innovative and sustainable financing to support a blue economy, including blue bonds, equity instruments, other financial solutions for coastal and marine conservation, and by operationalizing Tonga's Ocean Trust Fund; THEN the outcome will be the sustainable financing of NbS for restoring and sustainably managing coastal and marine ecosystems and of a blue economy in Tonga. The barrier of limited financial opportunities and mechanisms to finance a blue economy that currently prevents this outcome from being achieve will be overcome through the previously mentioned enablers (outputs). The related key assumption outlined in Figure 1 is: A4 – Stable national and international macroeconomic environment to advance a blue economy. Component 3 is based on GEF8 Lever 2 – Financial Leverage.

36. The work under Component 3 is aimed at providing these needed strategic outputs:

3.1.1 Intra-ministerial cooperation agreements established allow sharing capacities, pooling resources, and securing external financing to promote a sustainable blue economy.

3.1.2 Opportunities for innovative, sustainable financing to support a blue economy assessed (e.g., payment for ecosystem services, blue bonds, blue loans, equity instruments, Trust Fund etc.) in line with the National Biodiversity Finance Plan currently under development as part of the Pacific BIOFIN Programme.

3.1.3 Tonga's Ocean Trust Fund operationalized for the mobilization of new resources and the financial sustainability of NbS and Tonga's blue economy

37. In combination these outputs will ensure the following outcome:

3.1. Innovative and sustainable financing supports NbS and Tonga's blue economy.

38. Component 4: Knowledge management (KM), communication, and learning. This component will generate, manage, and exchange knowledge and capture lessons learned to benefit future blue economy projects within the country and the Pacific Islands and elsewhere, including aspects related to gender mainstreaming. To this end, an intersectoral KM platform will be developed for blue economy-related dissemination and learning considering similar experience as that in Vanuatu as part of the Ridge to Reef strategy (GEF Project ID 5397). Knowledge and lessons learned from the project will be systematized and disseminated, including gender-related experiences, through different products, networks, and platforms (e.g., Panorama – Solutions for a Healthy Planet[1][16]). In addition, a formally accredited and informal capacity building program for advancing a blue economy will be implemented following a needs assessment that will be initiated during the PPG phase. Capacity building actions will direct to government actors, the private sector, and local communities including women and youth, and activities will be coordinated with the GBBF Project "Strengthening capacities for ecosystem management through effective planning, financing and monitoring of protected areas" for complementarity and to improve cost effectiveness and learning. The project will exchange data and best practices research and universities (e.g., Tonga National University, the VEPA, the Waitt Institute, and IUCN) to maximize project outcomes. In addition, data

generated by the project will be shared with the Ministry of Education and Training (MET) to be included in the scholar curriculum. The project's KM strategy will be updated during the PPG phase and budgeted for.

[1] https://panorama.solutions/en

39. IF the project enhances knowledge management, communications, and learning by developing a knowledge management platform to facilitate intersectoral and public cooperation, coordination, and collaboration for a blue economy, and by developing a knowledge products that will allow sharing nationally and internationally the project's lessons, learned, best practices and outcomes, and by enhancing local capacities to advance a blue economy; THEN, the outcome of integrating knowledge management and learning, gender mainstreaming, and effective stakeholder engagement through project will be achieve. The barrier of limited information sharing and mechanisms for information management for decision-making, and to build local awareness and support for the conservation and sustainable use of the country's coastal and marine biodiversity that currently prevents this outcome from being achieve will be overcome through the previously mentioned enablers (outputs). The related key assumptions outlined in Figure 1 are: A5 – Increase local awareness on the value of coastal-marine ecosystems for conservation, sustainable development, and coastal protection; and A6 – Knowledge sharing with Pacific Island Countries (PICs) enables adoption of best practices. Component 4 is based on the GEF8 Lever 4 – Innovation and Learning.

40. The work under Component 4 is aimed at providing these needed strategic outputs:
4.1.1 KM platform developed to facilitate blue economy-related cooperation, coordination and collaboration, inter-sectoral and publicly.
4.1.2. KM products developed and shared with other Pacific Island countries and at the national and local levels.
4.1.3. Formally accredited and informal capacity building program for advancing a blue economy implemented.

41. In combination these outputs will ensure the following outcome:
4.1. Knowledge management and learning, gender mainstreaming, and stakeholder engagement effectively support project objectives and are fully integrated.

42. M&E. M&E during project implementation will be guided by the M&E Plan, which will be appropriately budgeted. Through the gender sensitive M&E Plan, the project results as described in the project results framework (PRF; refer to the Indicative Project Overview Section) will be monitored annually and periodically evaluated to ensure that the results are achieved; these will be further analyzed and validated with key stakeholders during the PPG phase. During the PPG phase and during project implementation, new indicators may be added as deemed appropriate. In addition, the GEF core indicator targets established at this project concept stage will be updated during the final stages of project design.

43. Project implementation will be launched through a project inception workshop to familiarize key stakeholders with the project strategy and to review the PRF and monitoring plan, among other things. The project will deliver regular monitoring of its progress and gaps, including the implementation of all SES-related plans, and weaknesses identified will inform adaptive management. This includes but is not limited to the preparation of quality and timely annual GEF Project Implementation Reports (PIRs), and full transparent support to the independent Mid-term Review (MTR) and the independent Terminal Evaluation (TE) with all required core indicators and financial indicators assessed. A Project Steering Committee will be established, which will be

responsible for the high-level oversight of the execution of the project by the Executing Entity and the approval of strategic project execution decisions.

44. To ensure minimal risk of adverse social or environmental impacts, this component will also allow for the development and implementation of all assessments and management plans related to UNDP's Social and Environmental Safeguards (SES). As an initial step, a pre-assessment was carried out during the project concept phase using UNDP's Social and Environmental Screening Procedure (SESP) (Annex D), which will be updated during the PPG phase with the support of specialized staff, and new assessment and mitigation measures will be defined as determined necessary.

45. The work under M&E is aimed at providing these needed strategic outputs:
- M&E Framework developed and monitored.
- Project results reported, including Mid-term Review and Terminal Evaluation.
- Gender Action Plan, Stakeholder Engagement Plan, and other management plans related to the UNDP's Social and Environmental Standards (SES) implemented.

46. In combination these outputs will ensure the following outcome:
- M&E assesses the project's impact and guides its adaptive management.

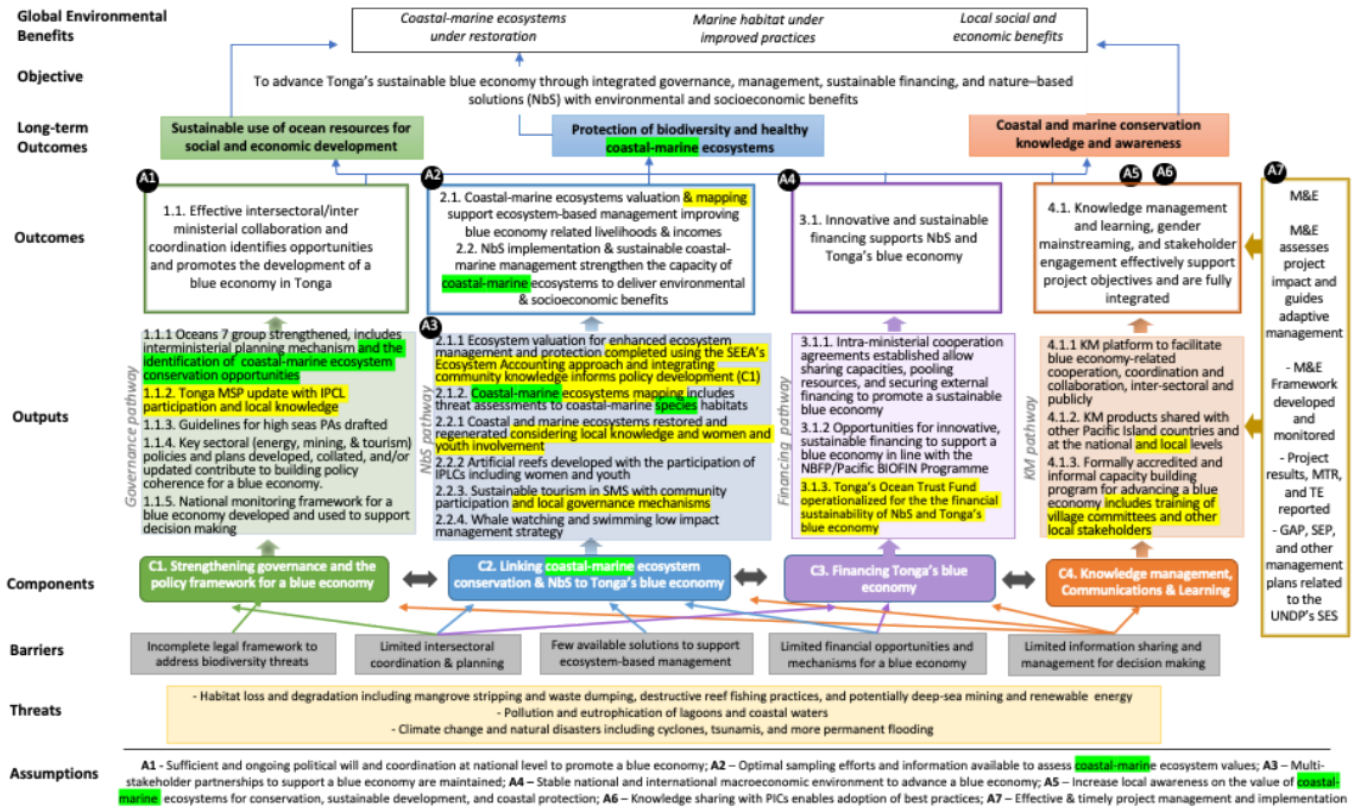


Figure 1. Theory of Change

47. The identified causal pathways are based on the analysis of threats, underlying causes, and barriers identified and will be validated during the PPG phase of the project. The supporting outputs and outcomes for each pathway, and the assumptions that they are built upon, will properly address the problems and barriers described above, thereby reducing threats to coastal and marine biodiversity and building resilience to climate change in Tonga. The project's ToC considers the active participation of multiple stakeholders, as well as actions to contribute to gender equality and the empowerment of women. The proposed option of coastal and marine biodiversity conservation

through the development of a blue economy for the sustainable use of ocean resources, and the protection of biodiversity and restoration of coastal-marine ecosystems using an intersectoral and participatory approach is considered more cost-effective and realistic to achieve as opposed to that this be done independently. The ToC is a dynamic framework that will be assessed again during the PPG phase and during implementation. This strategy will deliver GEBs as well as social and economic benefits at the local level. The interrelated components described above will be the means through which this is achieved.

48. Tonga's coastal-marine biodiversity is globally significant. Coral reefs that are globally significant for their high biodiversity, and as a natural barrier protecting coastal communities. Seagrasses and coastal lagoons are globally significant serving important functions as spawning and feeding areas for many species. Tonga's mangroves are globally significant for the protection of vulnerable island coastlines from flooding and erosion, and for providing habitat for biodiversity including fish, crustacean, and local and migratory bird species; mangroves also serve as a food source and support local fisheries. In addition, the project includes open ocean waters that serve as migratory pathways for humpback whales, which are considered keystone species and of economic importance through ecotourism. The ecosystems covered by the project are part of the Polynesia-Micronesia biodiversity hotspot.

49. The expected GEBs are:

- 500 ha of coastal and marine ecosystems under restoration
- 30,000 ha of marine habitat under improved practices
- 39,283 tCO2e of greenhouse gas emissions mitigated. (co-benefit)
- 2,100 people benefiting from GEF-financed investments (50% women; 50% men)

50. Co-benefits: Enhanced carbon sequestration through mangrove and seagrass bed restoration enhances blue carbon and contributes to climate change mitigation; and strengthened coastal ecosystem resilience enhances protection against sea level rise, extreme weather events, and tsunamis.

Gender Equality

51. According to the UNDP Gender Marker Rating, the project is expected to be categorized as GEN2: gender equality as a significant objective; results address differential needs of men or women and equitable distribution of benefits, resources, status, and rights, but do not address root causes of inequalities in their lives. The project will contribute to gender equality by improving women's participation and decision-making and generating socio-economic benefits for women, for example by participating in decision making in building a blue economy and through the implementation of NbS, which will contribute to improving their income and food security of their families and building resilience to the climate change.

52. To ensure gender mainstreaming within the project, a detailed Gender Analysis and Gender Action Plan will be developed during the PPG in line with the initial environmental and social screening conducted using UNDPs' SESP (Annex D) and which will be fully developed during the PPG phase. Specific gender indicators will be used to monitor the Gender Action Plan; in addition, the Project Results Framework will include gender-sensitive indicators (disaggregated by sex) and which will be developed during the PPG. There will be participation of women in all phases of the project: design, execution, and monitoring and evaluation.

Incremental reasoning

53. With GEF incremental support, the project will catalyze transformative change by developing policy and institutional frameworks, expanding NbS and ecosystem conservation, and enhancing capacity at all levels for advancing Tonga's sustainable blue economy. Building on the baseline, the project will help conserve coastal and marine biodiversity, promote integrated ocean management,

and contribute to sustainable economic growth in Tonga. The incremental contribution of the GEF investment is summarized as follows:

Baseline	GEF Alternative	Incremental Benefits
Component 1: The development of a blue economy will be uncertain as the required governance and the policy framework will be incomplete. Effective intersectoral/inter ministerial collaboration and coordination for a blue economy will remain weak.	Oceans 7 group will be strengthened for decision-making for a blue economy Key sectoral policies and plans (environment /natural resources, tourism, and ports and transportation) will be updated to enable a blue economy	<u>GEF Core Indicator Targets</u>: • 500 ha of coastal and marine ecosystems under restoration • 30,000 ha of marine habitat under improved practices • 39,283 tCO2e of greenhouse gas emissions mitigated (co-benefit) • 2,100 people benefiting from GEF-financed investments (50% women; 50% men) <u>SDGs</u>: • 1: No poverty • 5: Gender equality • 8: Decent work and economic growth • 14: Life below water <u>GBF Targets</u>: • 1. Reducing threats to biodiversity (Targets 1, 2, 4, 5, and 8); • 2. Meeting people's needs through sustainable use and benefit-sharing (Targets 9, 10, and 11); • 3. Tools and solutions for implementation and mainstreaming (Targets 14, 16, 19, 20, 21, 22, and 23).
Component 2: The value of coastal and marine ecosystems will remain unknown. Solutions to coastal and biodiversity threats will remain limited. The mapping and restoration that improve the status of the biodiversity of coastal and marine ecosystems will continue to be delayed, as well the implementation of best sustainable tourism practices	Information on the value of coastal and marine ecosystems will be available to support decision-making NbS will be implemented contributing to the restoration and sustainable management of coastal marine ecosystems and promoting Tonga's bule economy while delivering environmental and social benefits	
Component 3: Opportunities to build multistakeholder partnerships to finance a sustainable blue economy will be few	The financing needed from multiple sources to advance a blue economy will be in place	
Component 4: Opportunities for enhanced knowledge and learning from experiences and best practices with a blue economy and the conservation and sustainable use of coastal marine ecosystems will be missed Gender equality and the empowerment of women will remain limited	Knowledge and lessons learned resulting from the project will be shared locally and regionally, gender will be mainstreamed, and stakeholders will be engaged promoting replication and scaling-up in seascapes elsewhere The needed capacity to implement a blue economy will be in place	

54. The project's replication potential lies in its focus on developing a blue economy. Tonga is a leader country in the Pacific region for sustainable ocean management through its commitment to marine conservation, the development of the National Blue Economy Strategy, and Marine Spatial Planning. Since PICs are particularly dependent on ocean-related activities for their socioeconomic development, the Tonga's experience in developing a blue economy will result in value experience, best practices, and lessons learned that could be replicated by other PICs.

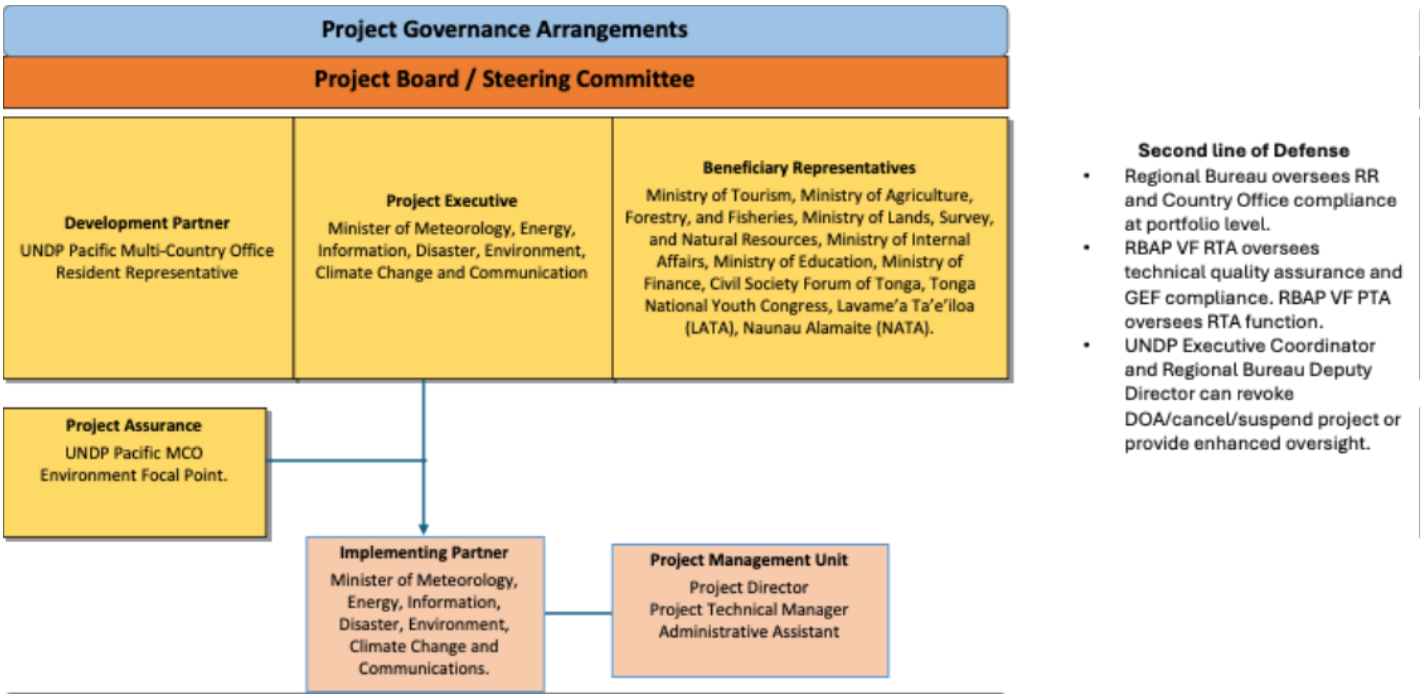
Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

55. The Executing Agency would be the Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communication (MEIDECC). The proposed project governance structure is as follows:

56. The Project Executive will be a representative of MEIDECC, who will represents ownership of the project and will chair the Project Board. Beneficiary Representative(s) are individuals groups representing the interests of those groups of stakeholders who will ultimately benefit from the project; this may include MLNR, MoT, and other ministries/members of Oceans 7, Private Sector, and NGOs/CSOs, including NGOs/CSOs representing IPLCs. UNDP will have the role of Development Partner through the UNDP Resident Representative (RR) or its delegate. In addition, UNDP will provide Project Assurance (independent project oversight and monitoring functions). As the Executing Agency, MEIDECC will establish a Project Management Unit that will be led by a Project Manager (PM). The project governance structure is shown below and the full project governance and management arrangements will be defined during the PPG.



57. The project will work in close collaboration and consult with ongoing GEF initiatives as follows:

- Transforming food systems through ecosystem-based approaches to combat land degradation and loss in ecosystem services in value-chains in Tonga (GEF Project ID 11648), which aims to reverse land degradation and increase climate resilience of ecosystems and of communities through integrated ecosystem-based approaches to food systems in Tonga. Information related to community engagement and in ecosystem management and restoration will be exchanged.
- Implementation of the Fanga'uta Lagoon Stewardship Plan and Replication of Lessons Learned to Priority Areas in Vava'u (Tonga R2R Phase 2) (GEF Project ID 10518), with the objective to implement the Fanga'uta Stewardship Plan (FSP) for strengthened integrated

management of the Fanga'uta Lagoon and to replicate lessons learned from the Tonga R2R Phase I to priority areas in Vava'u. Currently under implementation, information will be exchange regarding improving governance structures and processes related ecosystem management and mangrove ecosystem restoration.

- R2R: Testing the Integration of Water, Land, Forest & Coastal Management to Preserve Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods in Pacific Island Countries (GEF Project ID 5404). Completed in 2024, this project had as an objective to test the mainstreaming of 'ridge-to-reef' (R2R), climate resilient approaches to integrated land, water, forest and coastal management in the PICs through strategic planning, capacity building and piloted local actions to sustain livelihoods and preserve ecosystem services. Lessons learned regarding coastal and marine management will be considered and for coordination with other PICs to exchange information and promote cooperation.
- R2R: Integrated Sustainable Land and Coastal Management (GEF Project ID 5397). This project aims to test and implement sustainable and integrated management of forest, land and marine resources to achieve effective ridge-to-reef (R2R) conservation in selected priority watersheds in Vanuatu. Consultations will be carried out with the Project Team in Vanuatu (where this project is being implemented) during the PPG to learn about their experience related to the development of an intersectoral KM platform.
- Strengthening capacities for ecosystem management through effective planning, financing and monitoring of protected areas. Synergies between this GBF project and the project proposed here in will be established to coordinate actions, establish complementarities, and maximize results related to biodiversity financing, capacity building, and costal marine biodiversity monitoring.
- Umbrella Programme to Support Development of Biodiversity Finance Plans (GEF Project ID 11054). Tailored finance solutions to protect and preserve Tonga's biodiversity that will be developed as part of the National Biodiversity Finance Plan will be considered as part of the project's strategy for financing Tonga's blue economy.
    - *Blue and Green Islands Integrated Programme* (GEF Project ID 11250). The project will contact the different countries participating GEF-8 BGI IP, including Micronesia, Palau, Papua New Guinea, Samoa, and Vanuatu to learn from their experiences in the implementation of NbS and advancing blue economies.

Core Indicators

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
500	0	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
500.00			

Indicator 5 Area of marine habitat under improved practices to benefit biodiversity (excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
30,000.00			

Indicator 5.1 Fisheries under third-party certification incorporating biodiversity considerations

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

Type/name of the third-party certification

Indicator 5.2 Large Marine Ecosystems with reduced pollution and hypoxia

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)

LME at PIF	LME at CEO Endorsement	LME at MTR	LME at TE

Indicator 5.3 Marine OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	39283	0	0	0
Expected metric tons of CO_2e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)				
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	39,283			
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting	2026			
Duration of accounting	20			

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	1,050			
Male	1,050			
Total	**2,100**	**0**	0	**0**

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

CI 3 – This biodiversity-related indicator provides the aggregate of 150 ha of mangroves, 150 ha of seagrasses, and 100 ha of coral reefs that will be restored as part of NbS to be implemented.

CI 5 – This biodiversity-related indicator is determined by the area (i.e. 30,000 ha) of Special Management Areas (SMA)/Locally Managed Marine Area (LMMAs) with improved practices as a result of the project

CI 6 – This indicates the greenhouse gas emissions mitigated (co-benefit) through the rewetting and revegetation of 150 ha of mangroves and 150 ha of seagrasses; the assessment was conducted using the Ex-Ante Carbon-balance Tool (Ex-Act) V9.4.2. The indicator will be reassessed during the PPG phase.

CI 11 – This is the total number of government staff and IPLCs that will be partners in implementation and that will directly benefit from the projects including SMA/LMMA management (NbS including mangrove, coral and seagrass beds restoration, sustainable tourism, and risk reduction through coastal protection), innovative financing for a Blue Economy, training of IPLCs and village committees in SMA/LMMA management and access to financing.

Key Risks

	Rating	Explanation of risk and mitigation measures

CONTEXT		
Climate	Moderate	Project activities and outcomes could be vulnerable to/undermined by the impacts of climate change or disasters as determined during the environmental and social screening conducted using UNDPs' SESP (Annex D) . To mitigate this risk the following management measures will be considered: • Include climate change monitoring as part of National monitoring framework for a blue economy (Output 1.1.4) • Identify the project activities (Component 2) that have the greatest potential to be impacted by climate change using a Climate Change and Disaster Risk Analysis or similar • Include training activities on climate change adaptation and mitigation as part of the capacity building program for advancing a blue economy (Output 4.1.3)
Environmental and Social	Moderate	There are 7 risks, one of which is rated as Low, and 6 are rated as Moderate. As a result, this project is rated overall as a Moderate risk project. Please refer to Annex D for details.
Political and Governance	Moderate	There is a risk of lack of coordination and synergistic action between multiple stakeholders with specific mandates, interests, and responsibilities. In order to minimize this risk, the project will follow a participatory and consensus-building approach during its design. In addition, IPLCs will have a key role in the governance and management decision of the project through the participation of their representative in the Project Board.
INNOVATION		
Institutional and Policy	Moderate	Strategies and policy risks are related to the possibilities of diversion from national and subnational strategies and priorities. In this respect, the design of the project will consider the recommendations for the Tonga's Marine Spatial Plan/technical working group, Oceans 7, co-chaired by MoF, MEIDECC and MLNR and supported by line Ministries from the ocean and finance sectors to ensure alignment with national priorities and strategies
Technological	Moderate	There is some degree of uncertainty regarding the impact use of digital and technological tools for coastal-marine ecosystem mapping. This risk will be fully assessed during the PPG phase of the project
Financial and Business Model	Moderate	Tonga has a narrow base economy and is highly dependent on external assistance. In addition, the country, is highly vulnerable to external shocks including natural disasters.
EXECUTION		
Capacity	Moderate	An initial assessment indicates moderate. The financial management and procurement capacity of MEIDECC (i.e., Executing Entity) will be further assessed during the PPG through a UNDP's Harmonized Approach to Cash Transfer (HACT) approach and the Partner Capacity Assessment Tool (PCAT). The HACT dictates policies and procedures for capacity assessment, cash transfer modality, audit, assurance and monitoring. The PCAT assesses procurement capacities for Partners who will implement projects funded by Global Environment Facility (GEF).

Fiduciary	Moderate	Please refer to previous risk assessment
Stakeholder	Moderate	Basen on the initial risk assessment using UNDP's SESP (Annex D) the is the risk that key stakeholder may raise concerns to their human rights, consultations may not be fully inclusive, especially of marginalized groups and other vulnerable individuals, or special interest groups, or may not be culturally appropriate, and this could result in grievances or objections from these stakeholders. To mitigate this risk, different measures will be put in place during the PPG phase including a detailed stakeholder analysis, a Stakeholder Engagement Plan, a Gender Analysis and Dender Plan, and a Grievance Redress Mechanism; please refer to Annex D, Risk 2.
Other		To be determined during the PPG
Overall Risk Rating	Moderate	Through the combination of all identified risks, this assessment concludes that this project risk rating is moderate. The risks to achieving outcomes will be further assessed during the PPG phase.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

58. Following consultations between the GEF Operational Focal Point (OFP) and UNDP, the project intends to utilize the full flexibility allowed in the allocation of STAR resources. Specifically, the remaining USD 202,500 from the Land Degradation (LD) allocation and USD 1,697,500 from the Climate Change Mitigation (CCM) allocation will be reallocated to Biodiversity (BD). This reallocation will result in a total of USD 1,900,000 being directed toward BD strategic priorities.

59. The project is hence aligned with the GEF-8 Biodiversity Focal Area, more specifically with Objective 1: To improve conservation, sustainable use, and restoration of natural ecosystems. This objective includes an integrated and complementary approach to the sustainable use of biodiversity and management of production landscapes/seascapes for more durable results in conservation, sustainable use, and restoration. The project is also aligned with Objective 3: To increase mobilization of domestic resources for biodiversity. The project will mobilize domestic resources for biodiversity conservation through intra-ministerial cooperation agreements and using different financial instruments (e.g., trust funds, blue bonds, etc.) that would allowed leveraging USD 500,000 /year to fund finance NbS and Tonga's blue economy. In addition, it contributes to Goals A (The integrity of all ecosystems is enhanced) and B (Nature's contributions to people) of the GBF. The project will implement actions that will contribute to the restoration of degraded coral reefs and the protection of humpback whales through sustainable tourism.

60. The project will contribute to the following Kunming-Montreal GBF targets: 1. Reducing threats to biodiversity (Targets 1, 2, 4, 5, and 8); 2. Meeting people's needs through sustainable use and benefit-sharing (Targets 9, 10, and 11); and 3. Tools and solutions for implementation and mainstreaming (Targets 14, 16, 19, 20, 21, 22, and 23).

61. In addition, the project responds to the following national and regional priorities

- Tonga Strategic Development Framework (TSDF 2015-2025). It aims for a more progressive Tonga, supporting higher quality of life for all. The National Outcome F (Land, Environment and Climate) focuses on a more inclusive, sustainable and effective land administration and environment management, with resilience to climate change and risk.
- Tonga Ocean Policy (TOP). A strategic guidance tool for implementing sustainable development and ocean management programs that support and are in line with the Tonga TSDF II. It complements the objectives, mission, and scope of Tonga's ocean management plan.
- Tonga Ocean Management Plan (TOMP). A comprehensive framework for sustainably managing Tonga's exclusive economic zone (700,000 km2). The plan aims to achieve ecological, social, and economic development of Tonga's ocean for the benefit of all Tongans.
- The 2035 National Blue Economy Strategy, to be submitted for approval in 2025 following the approval of the Tonga National Ocean Policy and Ocean Management Bill.
- Tonga's National Biodiversity Strategy & Action Plan (NBSAP) to 2030. The NBSAP provides for the protection of people's livelihoods and for the conservation of biodiversity and focuses on managing the threats to forestry, marine, agrobiodiversity, and priority species, as well as the threats posed by invasive alien species.
- Tonga's Second Nationally Determined Contribution (NDC). 2020. Tonga's has established two non-emission targets for the AFOLU Sector: a) establishing a forest inventory by 2025; and b) planting one million trees by 2023.
- The Hunga-Tonga-Hunga-Ha'apai Recovery and Resilience Building Plan (2022). The Plan focuses on four key sectors: Housing Recovery, Food Security and Livelihoods, Tourism Industry, and Public Infrastructure.
- The Biodiversity Beyond National Jurisdiction (BBNJ) Agreement for the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction.
- The 2050 Strategy for the Blue Pacific Continent, including safeguarding the integrity of natural systems and biodiversity through conservation action and by minimizing activities that degrade, pollutes, overexploit, or undermine our ocean and natural environment.

62. No country policies that might contradict with intended outcomes of the project have been identified.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities: Yes

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

The stakeholders' consultations are summarized as follows:

Name. Title. Organization	Dates	Methods	Key Issues
Ms. Atelaite Lupe Matoto. Director Department of Environment/MEIDECC. GEF OFP, CBD & UNCCD Focal Point; Ms. Inga Mangisi, Department of Environment/MEIDECC; Ms. Sisilia Ulakai Department of Environment/MEIDECC	25/02/25 26/02/25 28/02/25	Face to face meetings in Nuku'alofa, Tonga	Discussed the overall strategy for the Blue Economy PIF development Reviewed Letter of Endorsement and discussed focal areas. Discussed timeline for PIF development and submission to the GEF Discussed project strategy: initial structure of components, outcomes, and outputs; and identified barriers Discussed GEF Focal Area Elements; it was decided that the country will make use of the STAR focal areas full flexibly mechanism to make this a biodiversity only project Discussed cofinancing and cofinancing ratio (2 to 1) Identified information needs and next steps for PIF development
Mr. Felemi Ika, Ministry of Tourism	14/6/25	Face to face meetings in Nuku'alofa, Tonga	Introduction of the Blue Economy MSP/PIF phase Discussed the development guidelines for a blue economy for the tourism sector including guidelines for environmental sustainability and focusing on whale watching, accommodations, and tour operators; the guidelines would be finalized in March of 2025. Discussed piloting the guidelines within special management area with local communities Discussed whale watching activity in Tonga and problems (overcrowding of vessels) Discussed the Diving Bill that is currently being drafted to regulate and raise standards for this

			activity (e.g., safety, PADI and other certifications for divers) Discussed the importance of cofinancing for GEF-funded projects and how the Ministry of Tourism could serve a co-financier of the project
Government entities MEIDECC, MLNR, MoT, and other ministries/members of Oceans 7, Private Sector, NGOs/CSOs. NGOs/CSOs representing indigenous peoples and local communities included: Tonga National Youth Council (TNYC), Langafanua (Women representatives), the National CSO council, and the Coastal Green CSO (a science based CSO).	27/11/25	PIF Validation workshop	The PIF Validation workshop brought together interested parties and key stakeholders in the upcoming GEF project. The participants were presented with the project's conceptual approach as outlined in the PIF, including its Objectives, Components, Theory of Change, Expected Global Environmental Benefits, and Timeline to CEO Endorsement. The more important the workshop participants engaged in discussions as to how to ensure early engagement of stakeholders in the project development phase (PPG). How stakeholders can engage and support in PPG activities, including the collection of needed information, as well as how stakeholder collaboration can best be obtained not only during the PPG phase but also under the full project implementation. These discussions were Outcome/component based and the indications/findings of the workshop will assist the PPG formulation team in directing the development of the full project document package, including the CEO Endorsement Request and the UNDP Project Document.

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE

Medium/Moderate

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant($)	Agency Fee($)	Total GEF Financing ($)
UNDP	GET	Tonga	Biodiversity	BD STAR Allocation: BD-1	Grant	1,685,160.00	160,090.00	1,845,250.00
Total GEF Resources ($)						**1,685,160.00**	**160,090.00**	**1,845,250.00**

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount ($)

50000

PPG Agency Fee ($)

4750

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	PPG($)	Agency Fee($)	Total PPG Funding($)
UNDP	GET	Tonga	Biodiversity	BD STAR Allocation: BD-1	Grant	50,000.00	4,750.00	54,750.00
Total PPG Amount ($)						**50,000.00**	**4,750.00**	**54,750.00**

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total($)
UNDP	GET	Tonga	Climate Change	CC STAR Allocation	1,697,500.00
UNDP	GET	Tonga	Land Degradation	LD STAR Allocation	202,500.00
Total GEF Resources					**1,900,000.00**

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing($)	Co-financing($)
BD-1-3	GET	1,685,160.00	9795665
Total Project Cost		**1,685,160.00**	**9,795,665.00**

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	MEIDECC	Grant	Investment mobilized	2000000
Recipient Country Government	MEIDECC	In-kind	Recurrent expenditures	2000000
Donor Agency	GCF	Grant	Investment mobilized	5795665
Total Co-financing				**9,795,665.00**

Describe how any "Investment Mobilized" was identified

63. During the PIF development, a total of USD 9,795,665 has been identified as potential Co-financing to the Enabling blue economy growth in Tonga project, of which USD 7,795,665 is envisaged to be in the form of Mobilized Investments, in part from the Government's own financing sources and secondly through project collaboration with the Green Climate Fund Tonga Coastal Resilience project. The project's Co-financing will be fully verified during the PPG development phase, and avenues for further co-financing will also be explored during the PPG.

64. With regard to the Investment Mobilized from the National Government (USD 2,000,000), it is envisaged to support all of the project's four components and is expected to cover support towards consultants and technical experts, restoration and livelihood engagements at local levels, development of financial solutions, and knowledge dissemination.

65. The Investment Mobilized from the GCF project (USD 5,795,665) will be focused on the common areas of the two projects where interlinkages can be optimized and cross-fertilization can be facilitated, providing results greater than the whole. While the specifics for the co-financing will be fully identified during the PPG development phase, the areas of collaboration could include coastal protection, climate risk monitoring, multi-stakeholder adaptation planning, and NbS implementation.

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Nancy Bennet	12/17/2025	Executive Coordinator		nancy.bennet@undp.org
Project Coordinator	Sofiane Mahjoub	12/17/2025	Regional Technical Specialist		sofiane.mahjoub@undp.org

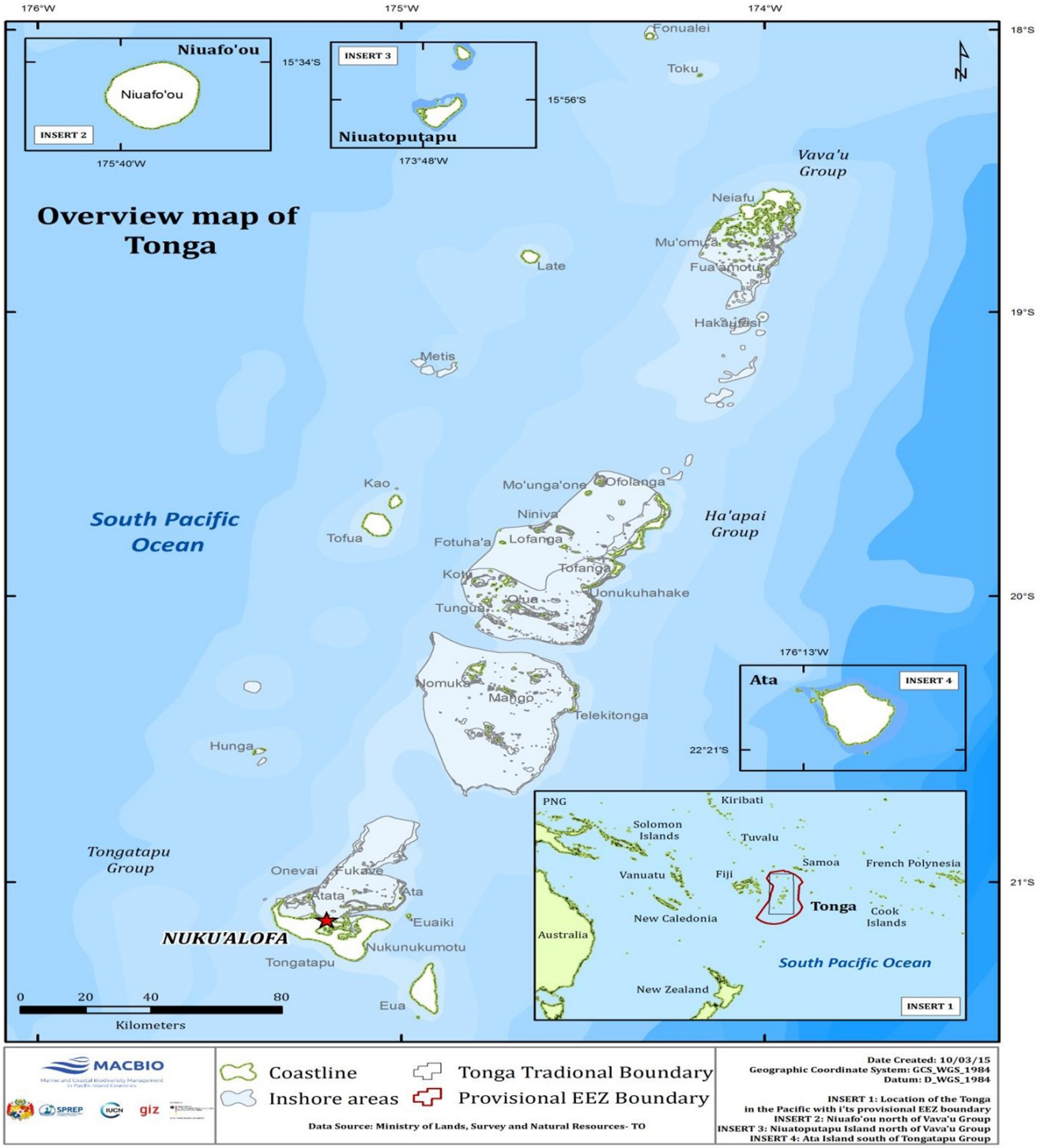
Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)
Mr. Sione Akauola	Chief Executive Officer	Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communication (MEIDECC)	12/10/2025

ANNEX C: PROJECT LOCATION

Please provide geo-referenced information and map where the project interventions will take place

Geo Name ID *Required field if the location is not an exact site*	**Location Name** *Required field*	**Latitude** *Required field*	**Longitude** *Required field*
4032283	Kingdom of Tonga	S 20°00'00"	W 175°00'00"



Map of the Kingdom of Tonga (Source: https://macbio-pacific.info/wp-content/uploads/2016/03/Tonga-map.jpg)

ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Significant Objective 1	No Contribution 0	Principal Objective 2	No Contribution 0

ANNEX F: TAXONOMY WORKSHEET

Level 1	Level 2	Level 3	Level 4
Influencing Models	• Strengthen institutional capacity and decision-making • Convene multi-stakeholder alliances • Demonstrate innovative approaches • Deploy innovative financial instruments		
Stakeholders	• Beneficiaries • Type of Engagement • Communications	• Information Dissemination • Partnership • Consultation • Participation • Awareness Raising • Behavior Change	
Capacity, Knowledge and Research	• Capacity Development • Knowledge Generation and Exchange • Learning • Innovation • Knowledge and Learning • Stakeholder Engagement Plan	• Theory of Change • Adaptive Management • Indicators to Measure Change • Knowledge Management • Innovation • Capacity Development • Learning	
Gender Equality	• Gender Mainstreaming • Gender Results Areas	• Beneficiaries	

		• Women groups • Sex-disaggregated indicators • Gender-sensitive indicators • Participation and leadership • Access to benefits and services • Capacity development • Awareness raising • Knowledge generation	
Focal Area/Theme	Biodiversity	• Protected Areas and Landscapes • Mainstreaming • Species • Biomes • Financial and Accounting	• Productive Seascapes • Tourism • Threatened Species • Mangroves • Coral Reefs • Sea Grasses • Wetlands • Payment for Ecosystem Services • Conservation Finance