



MINISTRY OF TRADE AND ECONOMIC DEVELOPMENT.

COPORATE PLAN FOR 2019/2020 – 2021/22



*‘DRIVING A PRO-POOR INCLUSIVE ECONOMIC
DEVELOPMENT FOR A MORE PROGRESSIVE
TONGA.’*

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List of Abbreviations:

CP&B	Corporate Plan and Budget
FY	Fiscal Year
KPI	Key Performance Indicator
MDA	Ministries, Departments and Agencies
NIIP	National Infrastructure Investment Plan
TSDf	Tonga Sustainable Development Framework
ADB	Asian Development Bank
AMP	Annual Management Plan
CRF	Corporate Registry Forum
EPA	Economic Partnership Agreement
FDI	Foreign Direct Investment
HDI	Human Development Index
ICT	Information Communication Technology
IMF	International Monetary Fund
ILO	International Labour Organization
ILC	International Labour Conference
JV	Joint Ventures
MTED	Ministry of Trade and Economic Development
MSME	Micro Small Medium Enterprises
PACER Plus	Pacific Agreement for Closer Economic Relations
PICTA	Pacific Island Countries Trade Agreement
PPP	Public-Private Partnerships
TERM	Tonga Energy Road Map
WB	World Bank
WTO	World Trade Organization
WIPO	World Intellectual Property Organization

Foreword from the Minister



The Lord instructed all nations to remember the POOR and the MOST VULNERABLE (the least among us), Mathew 25: 25:31-46; hence, the Ministry has REFORMED itself to this spiritual guidance for the next four years and financial years 2019/20 to 2021/22, that our economic development be based on the most vulnerable, so that all are included, which is the bases of sustainability.

We have established at the helm of this Corporate Plan some new initiatives for inclusive economic development with the engagement of the informal and grassroots stakeholders, and economic empowerment of the poor. Guided by the Tonga Strategic Development Framework II and Government Priority Agenda for Financial Years 2019/20-2021/22, we strongly believe that sustainable economic development for Tonga requires a renewed and targeted focus on engaging the grassroots, and the most vulnerable in the society who mostly operates in the informal sector, not only to advance our economy, but to also ensure that the poor are cared for.

The Ministry continues its Inclusive Economic Development Reform Program with the objective to reach the most vulnerable in the society (*working poor and the unemployed*) so as to give them the opportunity to participate in economic development. In line with our ongoing economic development reform the Ministry has recently changed its name to the **Ministry of Trade and Economic Development** has also redesigned its organisational structure and outputs to reflect this objective by ensuring that our services are extended to sectors where the poor are working and live; that we build on production factors currently possess by the poor; that we equip the poor to be access and able to starting a business; that we encourage the poor to participating in export activities; and we create employment opportunities for them.

We are proud to directly contribute to improving the poor's access to basic goods and services through price control and regulation. This is a mission that is built on our Tongan and Christian values and therefore, one that we need to take with serious commitment and wholehearted dedication. For this reason, MTED has redesigned its seven (7) programs, and to ensure that the objective of our reforms are achieved, and our mandates as provided under the TSDF II, and in our seventeen (17) legislations, are not compromised.

The Ministry acknowledges the valuable contributions and support of its key development partners including The New Zealand Government, The Australian Government, The Government of Japan, and the People's Republic of China, the ADB, World Bank, European Union, WIPO, UNDP, WTO and the ILO. We also acknowledge that the successful

implementation of the plan will require strong executive management by MTED and strategic support by line government Ministries and non-government stakeholders.

It is our priority to ensure that our services are responsive with notable impacts to the requirements of our stakeholders and we therefore look forward to the next three years as a period of renewed collaboration, integration, and cooperation.

I congratulate the Ministry's staffs in their efforts, and I wish them well in the implementation of this corporate plan through faith in the years ahead.

Through Faith all are achieved.

Respectfully,

.....
Hon. Dr. Tevita Tu'i Uata.
Minister for Trade and Economic Development.

Message from the CEO

MTED is the Government's leading Ministry in developing, stimulating and promoting economic development. This Corporate Plan (CP) has been developed to address the key development constraints faced by the country, and to build on our comparative advantages and strengths.

Over the next three years, the Ministry has taken on a new challenge, to not only advance and grow our economy, but to also ensure that the wealth and gains from economic growth are shared by all, particularly by those who are less fortunate. This new challenge, is entitled, the Inclusive Economic Development Reform, and has been the central focus of the engineering design of this Corporate Plan.

While this Corporate Plan charts the way forward for the Ministry, we cannot afford to ignore the past and lessons learnt. The Ministry has therefore taken a proactive approach to undertake thorough gap analysis at every level to ensure that we address these constraints in our plan. We have also focused on establishing SMART KPIs at every level of service so as to drive and promote a performance-driven, knowledge based organization that is diligently committed to excellence.

Stakeholder management is integral to MTED and the successful achievement of our objectives will continue to require a stronger partnership with our key partners and stakeholders.

We are therefore committed to working closer with our key clients to implement our ambition for success, so as to ensure that our services are responsive, and produce tangible results and positive impacts to their needs and requirements.

Together with our various stakeholders, we will be able to achieve the TSDf II strategic national impact of a *“more progressive and responsive Tonga, and with supporting for a higher quality of life for all through more inclusive and sustainable growth and development”*.

Respectfully,

.....
Mr. Tevita Lautaha
**Acting Chief Executive Officer,
Ministry of Trade and Economic Development.**

1 MTED Corporate Plan Executive Summary

1.1 Mandate

The Ministry operates in an environment guided by the Constitution of Tonga and the seventeen (17) legislations (*Annex 2*) which establish its statutory roles. Underneath this level, the Ministry of Trade and Economic Development (MTED) have developed outcomes that are directly aligned to the achievement of the Tonga Strategic Development Framework II national impact of **a more progressive Tonga, supporting a higher quality of life for all, through more inclusive and sustainable economic growth and development.**

It seeks to contribute to the national commitment to stimulating and fostering **a more inclusive, sustainable and dynamic knowledge-based economy** through:

- i) Promoting an **enabling business environment** that is conducive to inclusive, sustainable and resilient economic growth;
- ii) Providing **targeted support to promote entrepreneurship and build the productive capacity of local businesses;**
- iii) Developing an environment that is conducive to **pro-poor business and grassroots economic development;**
- iv) Developing and promoting **labour market conditions and standards that support business growth, decent work and higher labour participation in both the formal and informal sector;**
- v) Developing a **robust consumer protection and fair trade regime that shapes consumer and business behaviour**
- vi) Providing **targeted support to increase and diversify Tongan exports and promote FDI;**

The Corporate Plan seeks to efficiently and diligently deliver these mandates through seven (7) programs led and managed by the Honourable Minister, Dr. Tevita Tu'i Uata, and the Acting CEO, Mr. Tevita Lautaha.

1.2 Stakeholders

MTED is a customer-centric organization that is committed to delivering its mandates according to the requirements of its stakeholders. The Ministry has prioritised the identification of stakeholder needs and integrated these needs into the design of its organizational outputs, activities and Key Performance Indicators (KPIs).

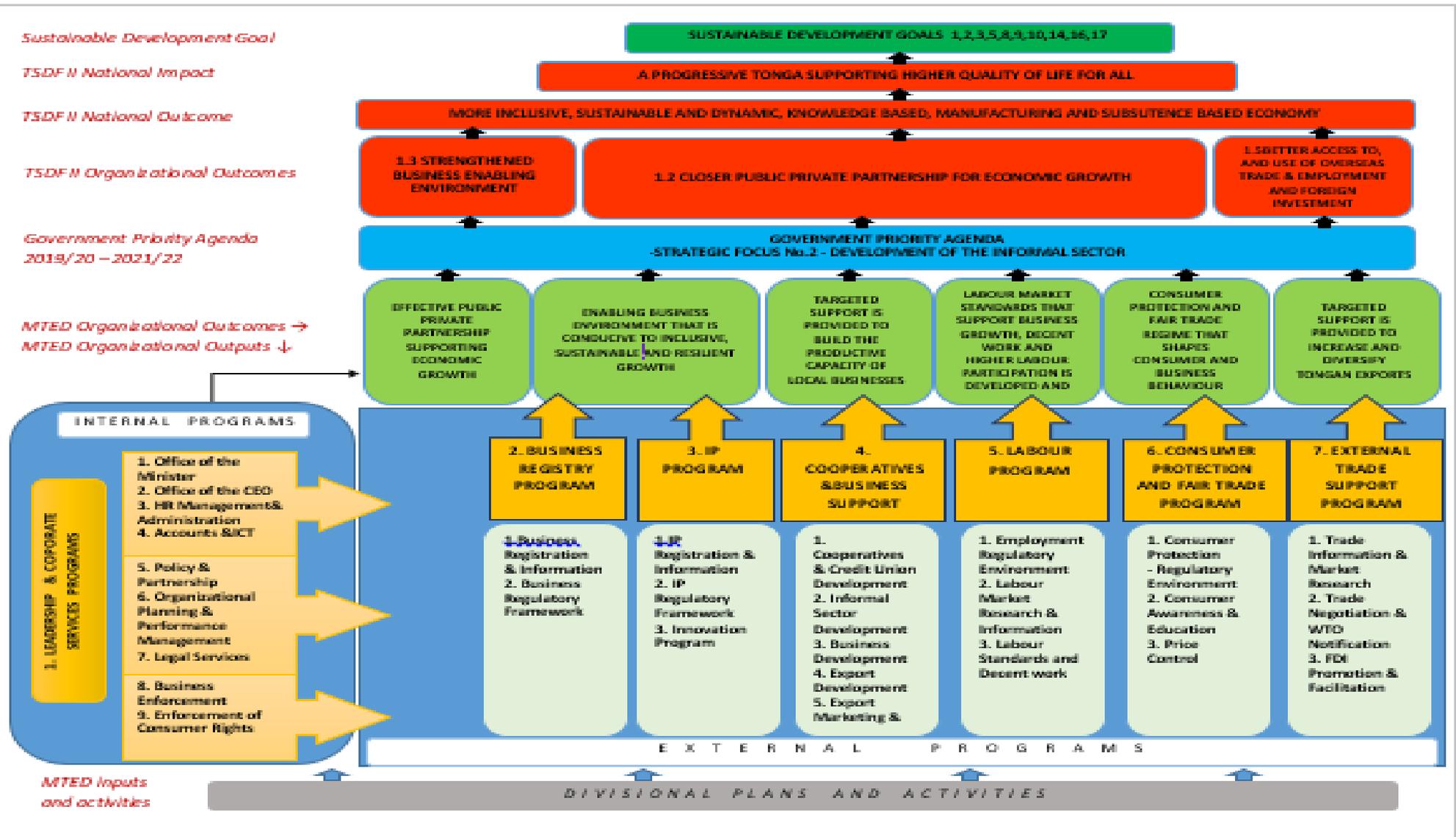
The Ministry has also prioritised the development of a Public-Private Partnership (PPP) Framework to not only improve communication and coordination with its stakeholders but to also ensure that its services are responsive to their interests and needs.

The Ministry's key stakeholders and their relationship with the Ministry is provided in Table 1.1.

Table 1.1: Stakeholders by Relationship with MTED				
Stakeholder	Customer of MTED	Supplier to	Partner with MTED	Oversight of MTED
Informal Sector	X			
All businesses	X			
All workers	X			
All employers	X			
All consumers	X			
Public Enterprises	X			
Government Ministries			X	
Cabinet				X
Legislative Assembly				X
Development Partners			X	

1.3 MTED Results Map

Figure 1: MTED Strategic Results Map



1.4. Sustainable Development Goals (SDGs)/ Regional Frameworks:

The Ministry continues to prioritize its obligations and commitments to the implementation of the Sustainable Development Goals and other related international and regional frameworks. The Ministry recognizes its contribution to the implementation and achievement of the following SDGs:

1. SDG 1. No Poverty;
2. SDG 2. Zero Hunger;
3. SDG 3. Good Health and Well-Being;
4. SDG 5. Gender Equality;
5. SDG 8. Decent Work and Economic Growth;
6. SDG 9. Industry, Innovation and Infrastructure;
7. SDG 10. Reduced Inequalities;
8. SDG 14. Life below water;
9. SDG 16. Peace, Justice and Strong Institutions; and
10. SDG 17. Partnership for the Goals

Details on the linkages between these SDGs with the Ministry's outputs and activities are identified in section 4.

1.4.1 TSDF II Impacts, Outcomes and MTED's Outputs

The Ministry contributes to the TSDF II objective of **creating a more progressive Tonga supporting a higher quality of life for all, through more inclusive and sustainable growth and development**. It aims to work towards the achievement of the national commitment to stimulating and promoting a **more inclusive, sustainable and dynamic knowledge-based economy**.

It contributes to the achievement of the national outcome through six (6) key organizational outcomes:

1. Promoting a closer and effective public private partnership that supports economic growth
2. Creating an enabling business environment that is conducive to inclusive, sustainable and resilient economic growth;
3. Providing targeted support to build the productive capacity of local businesses;
4. Developing and promoting labour market conditions and standards that support business growth, decent work and higher labour participation in both the formal and informal sector;
5. Promoting a robust consumer protection and fair trade regime that shapes consumer and business behaviour; and
6. Delivering targeted support to increase and diversify Tongan exports and promote FDI.

These six (6) organizational outcomes are delivered through seven (7) programs.

The organizational outcome for promoting a closer and effective public private partnership that supports economic growth is delivered by the **Leadership & Corporate Services Program**.

The organizational outcome for creating an enabling business environment that is conducive to inclusive, sustainable and resilient economic growth, is delivered through **two (2) separate programs, the Business Registry Program, and the IP Program**.

The provision of targeted support to build the productive capacity of local businesses is delivered through the **Cooperatives & Business Support Program**.

Concurrently, through the **Labour Program**, the Ministry seeks to develop and promote labour market conditions and standards that support business growth, decent work and higher labour participation in both the formal and informal sector so as to improve livelihoods of people. It is also the mandate of the Ministry to protect consumer interests through the promotion of a consumer protection and fair trade regime that shapes consumer and business behaviour through the **Consumer Protection & Fair Trade Program**.

Targeted support for external trade, specifically for increasing and diversifying exports and promoting FDI, is provided through the **External Trade Support Program**.

The leadership, management and facilitation support of the delivery of these external outcomes are provided by the **Corporate Services Program** which now comprised of the Leadership, Policy and Enforcement functions that were delivered separately by these three programs in the previous corporate plan.

Details on the organizational outputs and structures of each program are discussed later in the corporate plan.

1.5 Government Priority Agenda (GPA) 2019-2022

The Government has set its priorities to provide strategic direction for corporate planning and budgeting processes for the Medium-Term Budget Framework 2019/20-2021/22. One of the strategic focus areas is the **'Development of the Informal Sector'** and the Ministry is responsible for leading this priority which is directly aligned with the Ministry's ongoing Inclusive Economic Development Reform Program.

The Ministry in response to this national priority has redesigned its organizational structure, outputs and activities and proposes some new initiatives in this corporate plan that will refocus resources to the development of the informal sector while not neglecting its other mandated roles.

Details on the Ministry's outputs, activities and propose new initiatives to implement this Government Priority is provided in section 4 under each programs.

2. MTED's Overview

2.1 MTED's Outputs Grouped into Divisions / Sub-Programs and Programs

Table 1.2 Summary of MTED's Outputs grouped into Divisions/Sub-Programs and Programs

Program(s)	Ministry's Outputs	Activities/Strategies	Responsible Division
Program 1: Leadership and Corporate Services Program	1. Provide advice and guidance to stakeholders and oversee management and delivery of the Ministry's programs	<ul style="list-style-type: none"> a) Formulating the organizational outcomes b) Develop an Efficiency and effective strategies on utilizing of ministry's resources c) Diverting and manage a strategy for the organizational outcomes d) Develop the strategies for a performance gaps addressed. e) Management strategies for resources cap addressed f) Management strategies for performance gaps addressed. g) Management strategies for performance gaps addressed h) Management strategies for a financial performance caps addressed i) Budget Performance and Evaluation j) Management strategies for ICT caps addressed 	Leadership and Corporate Services Division
	2. A strategy to provide sound and evidence-based policy advice and support the delivery of the Ministry's organizational outputs	<ul style="list-style-type: none"> a) Develop evidence and knowledge based policy advice and supports according to the policy requirements identified by line divisions for FY2019/20-FY2021/22 in accordance with the following policy process: <ul style="list-style-type: none"> i. Problem Definition ii. Research & Analysis iii. Stakeholder Consultations iv. Policy Adoption v. Policy Implementation vi. Policy Evaluation 	

		b) Develop and implement a Public Private Partnership Framework	
	3. A strategy to provide coherent legal advice and support to the delivery of the Ministry's organizational outputs	a) Drafting of legal documents, Review of Acts and Regulations identified by line divisions for FY2019/20-FY2021/22 and provide sound legal counsel and advice in accordance with the following policy process: i. Problem Definition ii. Research & Analysis iii. Stakeholder Consultations iv. Policy Adoption v. Policy Implementation vi. Policy Evaluation	
	4. A strategy to develop effective management plans and to drive performance improvement within the Ministry	a) Corporate Planning b) FYMP Planning c) Project Management d) Performance Monitor & Reporting	
	5. Development and implementation of a strategy for enforcement of business regulations and policies.	a) Inspections and Enforcement of Business License Act, Companies Act, Foreign Investment Act, Weights & Measures Act, Price Control Act, Consumer Act, and Regulations. b) Revenue collection from bowsers and calibration duties. c) Reporting. d) Capacity training for Enforcement Officers.	
	6. Development and Implementation of a strategy for enforcement of consumer protection, price control, weight and measures, regulations and policies.	a) Investigation and readdress complaints. b) Public Awareness.	
Program 2: Business Registry Program	1. Development and Implementation of a strategy to provide efficient business registries, infrastructure and information.	a) Upgrade of Business Service & Information Centre in the outer islands b) Targeted customer service training c) Information and Awareness and Education programs d) Compilation of all ancillary business license registration information at MTED and made available to clients and potential investors	Business Registry Division

		<ul style="list-style-type: none"> e) Business Registry Data f) Business Registration - Lodging registrations documents and other filings g) Receipts of payments h) Business Registry online system i) Administration of Business Registry Legislation and Regulation 	
	2. Development and Implementation of a strategy to improve the local business regulatory framework	<ul style="list-style-type: none"> a) Develop of a business development policy and regulatory reform roadmap b) Coordination with business support division c) Foreign Investment d) Online Payment e) Hosting contracts 	
Program 3: IP Program	1. An efficient IP Registration, Infrastructure and Information system for protection of IPRs.	<ul style="list-style-type: none"> a) Continuing upgrading of the IPAS System, this time from V3.3.1 to V3.5.0B b) Development of a streamlined filing and registration business process c) Data quality improvement d) Website Design and Online IP Database e) Joining and using global infrastructures (Madrid System) f) Enhanced Institutional Framework (Infrastructure) g) Development of information packages for businesses and other targeted audiences 	IP Division
	2. An updated Intellectual Property Policy and Regulatory Framework	<ul style="list-style-type: none"> a) Development of an IP Legal and Policy Reform Roadmap b) Accession to the Madrid Agreement and preparation for the Madrid Protocol c) Continue on work on the review and amendment of the Copyright Act d) Acceding other key international instruments for Copyright (World Copyright Treaty; WIPO Performances and Phonograms Treaty; Beijing Treaty on Audiovisual Performances; Marrakesh Treaty for the Visually Impaired People) 	

		<ul style="list-style-type: none"> e) Review and update of Tonga's National IP Strategy 2015/2017 f) Continue work on the development of a Legal Framework for Traditional Knowledge (TK) and Traditional Cultural Expressions (TCE) 	
	3. An Innovation and Creativity IP environment that strengthen business competitiveness	<ul style="list-style-type: none"> a) Enabling IP environment to strengthen business competitiveness through brands and designs b) Creative a strong demand for IP services from IP creators, owners and users c) Celebrating IP Day d) Developing an IP Knowledge base in Government Agencies and Instrumentalities 	
Program 4: Cooperatives and Business Support Program	1. Cooperatives & Credit Unions are developed, supported and promoted.	<ul style="list-style-type: none"> a) Develop and establish new Primary Cooperative Societies and strengthening the existing ones and develop project proposals for Secondary Cooperative (Central National Cooperative) b) Cooperative Promotion through consultations, other promotional activities. c) Developed and established of new Credit Unions 	Cooperatives & Business Development Support Division
	2. Informal Micro, Small and Medium Enterprises (MSMEs) are developed, supported and promoted.	<ul style="list-style-type: none"> a) Develop and implement MSME Product Development Programs for Agricultural, Fisheries, Manufacturing and Handicraft Informal MSMEs. b) Develop and implement project proposals for 'Fale Lalanga / Fale Koka'anga' for Women in communities c) Develop and implement project proposals for 'Katoanga Mats for Cash Exchange Programs' for marketing of mats and tapa from Informal MSMEs. d) Develop and implement programs for sourcing and supplying of production inputs to informal 	

		MSMEs is developed and implemented.	
	3. Local Manufacturing Businesses are supported and promoted.	<ul style="list-style-type: none"> a) Develop and deliver programs to support local businesses in manufacturing of quality local made products. b) Develop and implement a Campaign Program to promote local made products and local manufacturing businesses. 	
	4. Export Supply Chains for Agriculture, Fisheries and Handicrafts are developed and implemented.	<ul style="list-style-type: none"> a) Develop and renovate Pack Houses and Packing Facilities, including sourcing of equipment and facilities for processing and packing. b) Development of trade facilitation plans. c) Facilitate works for sourcing, processing and exporting of products from Tonga to the exports market. 	
	5. Exports Marketing & Promotion	<ul style="list-style-type: none"> a) Develop and established new export markets for frozen line products and fresh fruits and vegetables from Tonga. b) Promoting and marketing Tonga's exports ready products to Trade Fairs and Exhibitions c) Develop and implement export marketing programs for Private Exporter companies 	
Program 5: Labour Program	1. Development and Implementation of a strategy to improve the labour regulatory environment.	<ul style="list-style-type: none"> a) Finalize the Employment Relations Bill 2019 as endorsed by Cabinet and submit to the Legislative Assembly. b) Re-establish the Employment Relations Advisory Committee (ERAC) in accordance with the Employment Relations legislation. c) Establishment of the Commission body as necessary. d) Education and awareness programs on labour legislation reform. 	Labour Division.

		e) Promote and support the organization of sectors and registration of workers' and employers' associations per Employment Relations legislation	
	2. Output 2: Develop and Implement a strategy to provide accurate labour market information, including measurement of informal sector employment for evidence-based policy interventions to reduce poverty.	a) Develop and implement a guideline for labour research and information. b) Implement best practice on measuring informal sector employment at national level. c) Upgrade existing labour database to include enhanced features for collection of labour related and employment information. d) Disseminate annual labour market information update to relevant stakeholders. e) Maintain up-to-date labour market information research, data collection and analysis for evidence-based policy decisions. f) Assess foreign employment visa applications from Tonga Immigration – Ministry of Foreign Affairs.	
	3. Output 3: Develop and Implement a strategy to promote decent work and effective labour standards.	a) Ratification of the ILO Conventions on Worst Forms of Child Labour (No. 138) & Minimum Age, for admission to employment (No. 182). b) International Labour Standards (ILS) reporting / ratified and non-ratified core Convention. c) General Survey on international labour issues. d) Representation to the annual International Labour Conference. e) Review for implementation the Tonga National Decent Work Country Program (DWCP). f) Education and awareness program on international labour standards and ratified ILO Conventions.	

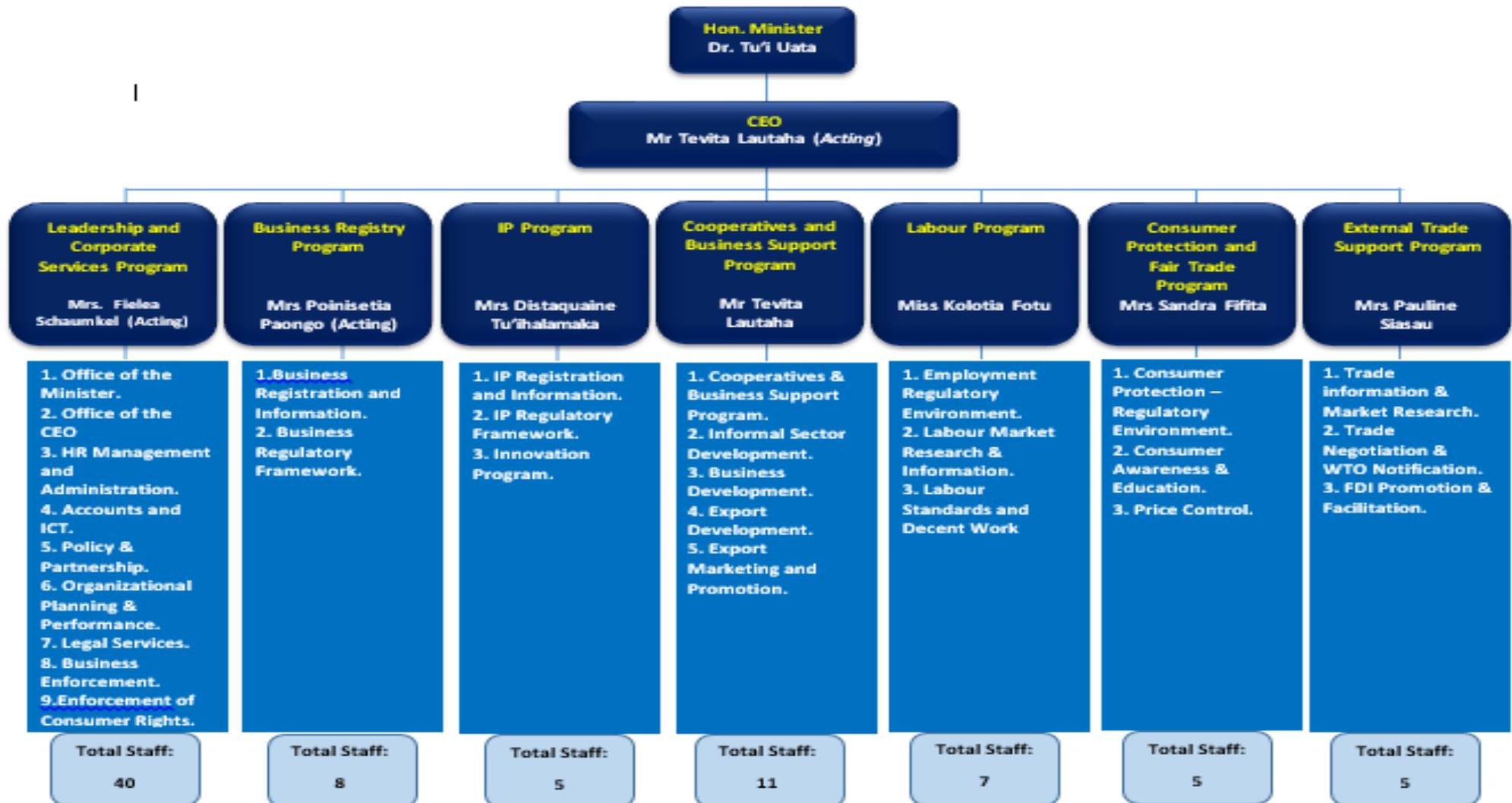
Program 6: Consumer Protection & Fair Trade Program	1. Improved Consumer Institutional and Regulatory Environment	<ul style="list-style-type: none"> a) That the Consumer Institutional and Regulatory Roadmap is updated b) Regulatory review of the Price Control regulation is finalised, endorsed and submitted to Cabinet c) Regulatory review of the Consumer Protection Bill and regulation is developed, endorsed and submitted to Cabinet d) Development of the Standards and enforcement programs for Weight and Measures and the regulatory review of the Weight and Measures Act and Regulation e) Assess proposed registration of as Government Member to Consumers International f) Strategy for the development and set up of the proposed set up of the Tonga Consumer Council developed, endorsed and submitted to Cabinet 	Consumer Division
	2. Effective Consumer Awareness Campaign and Education Strategy	<ul style="list-style-type: none"> a) Development and implementation of the Consumer Awareness Campaign and Education Strategy b) Development and regular update of the Consumer Facebook page and collateral materials 	
	3. A strategy to protect consumer interests through price control	<ul style="list-style-type: none"> a) Monthly, Quarterly and Annual Review of the Petroleum and LPG Price b) Biennial Review of other Regulated goods and services c) Secretariat to the Tonga Competent Authority d) Conduct market research and surveys on the proposed regulated goods 	
Program 7: External Trade Support Program	1. Strategy to identify new exports products and market	<ul style="list-style-type: none"> a) Management of trade statistics through development of trade statistics database b) Conduct market research in New Zealand and Australia c) Exporter Needs Assessment d) Development and Implementation of Trade Portal 	Trade Division

		e) Market Research for Tongan diaspora in New Zealand and Australia	
	2. Strategy to increase foreign investment inflows	<ul style="list-style-type: none"> a) Profiling of investment opportunities through targeted FDI website b) Development of Investment Promotion materials c) Development of National Investment Promotion Strategy d) Promotion of investment opportunities through participation in international exhibitions, Business & Investment Forum e) Pre and Post investment care f) Hosting of Investment Promotion Mission to Tonga g) Annual Investment Promotion Forum in New Zealand and Australia h) Recruitment of Investment Officer in New Zealand and Australia to carry out promotional activities for Tonga. 	
	3. Strategy to increase market access for Tongan exports and advance Tonga's gains from international trade	<ul style="list-style-type: none"> a) Monitoring and submission of WTO outstanding obligations b) ii) Monitor WTO trade obligations on remaining Doha issues and new emerging issues (MTS) including Aft initiatives ie. E-commerce, MSME, Investment facilitation c) iii) Secretariat to the Trade Economic Development Working Group and Cabinet Trade Economic Development Steering Committee d) iv) Coordinate and facilitate preparation of trade negotiation positions on Free Trade Agreement (FTA) in which Tonga is a party to e) v) Monitor existing trade obligations in existing FTAs and ensuring conclusion of negotiations and effective implementation of those that has been concluded. (PACER Plus, PICTA & iEPA) f) Preparation for ratification and implementation of WTO Trade Facilitation Agreement 	

		<ul style="list-style-type: none"> g) Preparation for ratification and implementation of PACER Plus Agreement h) Monitoring successful accession into iEPA and effective implementation of iEPA between Tonga and the EU- Market Access Offer (MAO) and coordinate technical negotiation between Tonga and EU i) Preparation for implementation of PICTA Agreement and the amendment of PICTA RoO j) Representation in Trade Negotiation/ Training /Meetings/Short Term Training k) Finalise the Bilateral Agreement between Tonga and Samoa l) Conduct public awareness programs on trade negotiations m) Implementation of Tonga Trade Policy Framework (TTPF) 	
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2.2 MTED Organization & Budget Structure

To deliver the organizational outcomes and outputs identified, the Ministry of Trade and Economic Development adopts the structure in Figure 2 below.
Figure 2: MTED Organizational Structure (to be effective as of 1 July 2019)



2.3 Summary of MTED Planned Major Reforms

The Ministry has established at the helm of this corporate plan a reform program for inclusive economic development through the engagement of the informal and grassroots stakeholders and economic empowerment of the poor.

The objective of the Ministry's Inclusive Economic Development Reform aims to reach the most vulnerable in society (working poor and the unemployed) so as to give them the opportunity to participate in economic development. The Ministry has redesigned its organisational outputs to reflect this objective by ensuring that our services extend to the informal sectors where the poor work and where the poor live; that we build on the factors of production that the poor possess; that we address constraints which prevent the poor from starting a business; that we address constraints which prevent the poor from participating in export activities; that we address constraints which prevent the poor from finding employment; and that we contribute to improving the poor's access to basic goods and services through price control and regulation.

Guided by these objectives our key reform projects for the next three years are as follows:

Table 1.3: Planned reform projects under the Ministry's Inclusive Economic Development Reform Program.

Reform Outputs	Reform Activities	Timeframe
1. Grassroots Entrepreneurship & Business Development Support Reform: A strategy to increase grassroots participation in business and build their capacity to grow and be competitive	1. Cooperative Reform (Agriculture, Fisheries, Handicrafts, Retail/Wholesale)	FY2018/19-2019/20
	2. Labour Mobility Entrepreneurship Reform	FY2019/2020
	3. Women Entrepreneurship Reform	FY2020/2021
	4. Youth Entrepreneurship Reform	
2. Grassroots Export Development Support Reform: A strategy to increase grassroots participation in export activities	1. Grassroots Handicraft Exports Program 2. Smallholder Agricultural Exports Program 3. Artisanal Fisheries Exports Program	FY2018/19 – FY2020/2021
3. Diaspora Engagement for Inclusive Economic Development Reform: A strategy to harness diaspora investments and remittances for inclusive economic development	1. Diaspora for Inclusive Economic Development Project	FY2018/19 – FY2020/2021
4. Grassroots Employment Support Reform: A strategy to facilitate the access of the informal sector to employment opportunities	1. Informal sector skills development and employment framework 2. Integration of informal sector interests into labour programs	FY2018/19- FY2020/2021
5. Pro-Poor Price Control Reform: A strategy to improve the access of the poor to basic goods and services through price regulation	1. Review of list of regulated goods to consider impact on poor	FY2018/19-2019/20

2.4 Reasons for Major Changes in Recurrent Budget Allocations

Inclusive economic development is established in the TSDF II 2015-2025 as a principal outcome of government and the development of the informal sector has been established as one of Government's Priority Agenda for the next three years. The significance of this strategic direction is evident in the prominent size of the informal sector and the rising rates of poverty and hardship in the country. The latest population census of 2016 revealed that 43 per cent of the economically active population of the country were either unemployed or underemployed in subsistence farming. The Household Income and

Expenditure Survey 2015/16 also identified that the majority of those with paid wages and salaries are in sectors, which are predominantly informal in nature – agriculture, fisheries and forestry. The sizable scale of the informal sector in Tonga emphasises the critical need for government to develop an economic development approach that is inclusive of the grassroots sector.

The rising rates of poverty and hardship in the country also warrant a more targeted inclusive economic development approach that empowers the poor to achieve a higher standard of living. The percentage of the population living under the National Poverty Line was found to have increased from 16.2% in 2001 to 22.1% in 2015.

Concurrent to this increase, is a substantial decline of 15.7% in household income between 2009 and 2015. These statistics underscore the need for government to prioritise a pro-poor inclusive development reform as a primary driver of economic development and prosperity in the country. These aspirations have prompted MTED to continue this strategic reform as its primary focus for the next three years.

The major changes to the recurrent budget are to accommodate the Inclusive Economic Development Reform projects outlined in Table 1.3. The Ministry's programs and sub-programs have all been re-designed to give priority to the delivery of the reform objectives which is also directly aligned with the Ministry's leading role in the development of the informal sector.

3. MTED Budget and Staffing

The Ministry has undertaken a restructure of its budget to improve alignment with the Corporate Plan. Restrictions on the budget envelope however have limited a perfect alignment of the two. The budget and staff allocations for the delivery of the Ministry's organizational outputs are provided in Tables 1.4 - 1.7.

Table 1.4: MTED Expenditure Budget

Total Budget	Budget Categories (\$M)							
	2017/18 r	2018/19 b	2018/19 r	2019/20 b	2019/20 p	2020/21 b	2020/21 p	2021/22b
Established Staffs	2.45	2.13	2.58	2.58	2.78	2.78	2.78	2.78
Unestablished Staffs	0.04	\$0.06	0.38	0.38	0.4	0.4	0.4	0.4
Travel and Communication	0.83	0.87	1.24	1.24	0.87	0.87	0.87	0.87
Maintenance & Operation	0.46	0.32	0.37	0.37	0.37	0.37	0.37	0.37
Purchases of Goods & Services	2.33	2.56	1.88	1.88	2.41	2.41	2.41	2.41
Grant and Transfer	-	-	0.24	0.24	0.06	0.06	0.06	0.06
Contingency Fund	-	-	0.04	0.04	0.04	0.04	0.04	0.04
Assets	1.26	0.07	0.99	0.99	1.21	1.21	1.21	1.21
Total Ministry Expenditure	7.37	6.01	7.72	7.72	8.14	8.14	8.14	8.14

Table 1.5: MTED Recurrent Budget

Recurrent Categories Budget (\$M)								
Total Budget	2017/18 r	2018/19 b	2018/19 r	2019/20 b	2019/20 p	2020/21 b	2020/21 p	2021/22b
Established Staffs	2.45	2.13	2.58	2.58	2.78	2.78	2.78	2.78
Established Staffs	0.04	\$0.06	0.38	0.38	0.4	0.4	0.4	0.4
Travel and Communication	0.83	0.87	1.24	1.24	0.87	0.87	0.87	0.87
Maintenance & Operation	0.46	0.32	0.37	0.37	0.37	0.37	0.37	0.37
Purchases of Goods & Services	2.33	2.56	1.88	1.88	2.41	2.41	2.41	2.41
Grant and Transfer	-	-	0.24	0.24	0.06	0.06	0.06	0.06
Contingency Fund	-	-	0.04	0.04	0.04	0.04	0.04	0.04
Assets	1.26	0.07	0.99	0.99	1.15	1.15	1.15	1.15
Total Ministry Expenditure	7.37	6.01	7.72	7.72	8.14	8.14	8.14	8.14

Table 1.6: MTED Development Budget

Development Budget								
Total Budget	2017/18 r	2018/19 b	2018/19 r	2019/20 b	2019/20 p	2020/21 b	2020/21 p	2021/22b
Established Staffs	-	-	-	-	-	-	-	-
Unestablished Staff	-	-	-	-	-	-	-	-
Travel and Communication	-	-	-	-	-	-	-	-
Maintenance & Operation	-	-	-	-	-	-	-	-
Purchases of Goods & Services	-	-	-	-	0.31	0.31	0.31	0.31
Assets	-	-	-	-	-	-	-	-
Total Ministry Development Expenditure	0	0	0	0	0.31	0.31	0.31	0.31

Table 1.7: MTED Human Resources

Category	FY2017/18	FY2018/19	FY2019/20	FY2020/21	FY2021/22
<i>Established staff:</i>					
Executive Staff (Levels 0 to 2)	7	8	9	9	9
Professional Staff (Levels 3 to 9)	47	45	42	45	51
Other Staff (Levels 9A to 14A)	33	42	43	48	48
Total Established Staff	87	95	94	102	108
<i>Unestablished Staff</i>	9	0	21	21	21
Total Staff	96	95	114	123	129

4. MTED Programs and Sub-Programs

4.1 Program 1: Leadership & Corporate Services Program

Division(s)/Sub-Program Responsible:

The Leadership & Corporate Services Program has undertaken a major restructure compared to the last corporate plan. It is now comprised of nine (9) sub-programs which consolidated all supporting functions that were delivered separately in the previous corporate plan by the Leadership Program, Policy Program and Enforcement Program.

The first two sub-programs serve the Office of the Honourable Minister and the Office of the CEO. The next two (2) sub-programs comprised of the: Human Resources Management & Administration and Financial Management & ICT Management which were previously under Corporate Services in the previous corporate plan.

The next three (3) sub-programs consists of the previous Policy functions which are: Policy Formulation; Organizational Planning & Performance Management and Legal Services and the last two sub-programs comprised of the previous Enforcement functions which are: Business Enforcement and Enforcement of Consumer Rights.

Major Customers:

The key clients of the Leadership and Corporate Services Program includes both internal and external stakeholders. The Office of the Minister and the Office of the CEO sub-programs fundamentally operates to serve the internal programs/divisions of the Ministry. At the same time, the Office of the Minister and the Office of the CEO also provide advice and guidance to external stakeholders such as the Legislative Assembly, the Cabinet, Government's Ministries, development partners, businesses, consumers and investors. The corporate services functions, policy and enforcement functions which are now consolidated under the Leadership and Corporate Services Program continues to support the line divisions with the delivery of the organizational outputs of their respective programs.

Program Results:

The Office of the Minister and the Office of the CEO primarily manage the programs and the outputs of the Ministry. The Minister provides political leadership and direction to the Ministry's programs while the CEO oversees the management and delivery of the Ministry's outputs and provides leadership to the Ministry's programs. They also contribute to the delivery of the Ministry's organizational outcomes through the provision of advice and guidance to external stakeholders.

The remaining sub-programs in the Leadership and Corporate Services Program exist to facilitate the delivery of organizational outputs through the provision of responsive HR, financial, ICT and administration support to the internal programs and divisions of the Ministry.

It also facilitates the provision of sound and evidence-based policy advice, promoting of public private partnerships and support the line divisions with their legal requirements. Also, it supports the delivery of their organizational outputs through the provision of organizational planning and management and in enforcing compliances with business requirements and in protecting the rights of consumers.

Outputs, Activities and KPIs for Leadership and Corporate Services Program:

The Outputs, Activities and KPIs for the Leadership Program are aligned to the KPIs at the national outcomes level. They are as follows:

Output 1: Provide advice and guidance to stakeholders and oversee management and delivery of the Ministry's programs.											
Sub-programs	Activity	KPIs	2017/18 Baseline	2018/19	2019/20	2020/21	2021/2022 Target	SDG/TSDf		Costing	
								Targets #	Indicators #	Operations	Salaries
1.1 Office of the Minister	1. Provide political direction and leadership to the Ministry's sub-programs and outputs	% of organizational outputs achieved in a financial year	50%	60%	70%	80%	100%	1.1 2.a 8.1 10.1 16.6	1.1.1 2.a.1 8.1.1 10.1.1 16.6.1	\$80,800	\$171,800
	2. Provide appropriate advice and guidance to stakeholders on the management of the Ministry	% of positive feedbacks from stakeholders	50%	60%	70%	80%	100%	16.6	16.6.1		
Output 2: To oversee the development, management and implementation of MTED sub-programs and outputs and provide leadership to the staff.											
1.2. Office of the CEO	1. Lead and oversees the development, management and implementation of the Ministry's sub-programs/ outputs and provide leadership to staff	% of organizational outputs achieved in a financial year	50%	60%	70%	80%	100%	16.6	16.6.1	\$36,400	\$91,100
	2. Develop strategies to address the Ministry's performance gaps.	% of MTED performance gaps addressed per financial year	50%	60%	70%	80%	100%	16.6	16.6.1		
Output 3: Facilitate the delivery of organizational outputs through the provision of responsive HR and administration support to the internal programs and divisions of the Ministry.											
1.3 Human Resource Management & Administration Management	1. Develop HRM programs to improve staff performance	% of HR gaps in the CP addressed per financial year	40%	60%	80%	90%	100%	16.6 16.7	16.6.1 16.7.1	\$442,100	\$91,500
	2. Develop and implement administration practices and processes	% of staff satisfaction	40%	50%	70%	90%	100%	16.6 16.7	16.6.1 16.7.1		
Output 4: Facilitate the delivery of organizational outputs through the provision of responsive Financial and ICT support to the internal programs and divisions of the Ministry.											
1.4. Financial Management & ICT Management	Develop strategies for a financial management	% of MTED financial gaps addressed in a financial year	40%	50%	70%	90%	100%	16.5 16.6	16.5.1 16.6.1	\$600,400	\$237,100
	3. Budget Performance and Evaluation	% of Budget utilization in a financial year	60%	70%	80%	90%	100%	16.5 16.6	16.5.1 16.6.1		
	4. Develop management strategies for ICT	% of ITC gaps in the CP addressed per financial year	40%	50%	70%	90%	100%	16.6	16.6.1		

Output 5: A strategy to provide sound and evidence-based policy advice and support the delivery of the Ministry's organizational outputs											
1.5 Policy & Partnership	1.Develop and implementation of a Public Private Partnership to cover PPP related gaps of the Ministry	% of policy gaps in the CP addressed per financial year	10%	20%	60%	80%	100%	17.17	17.17.1	\$205,400	\$148,400
	2.Development of a Buy Tonga Made Policy	% of policy gaps in the CP addressed per financial year	10%	20%	60%	80%	100%	8.1 9.2	8.1.1 9.2.1		
	3.Develop Framework for Informal Labour Sector	% of policy gaps in the CP addressed per financial year	0%	20%	60%	80%	100%	8.8	8.8.1 8.8.2		
	4.Conduct Business Biannual Survey	% of policy gaps in the CP addressed per financial year	50%	60%	90%	100%	100%	9.2	9.2.1		
	5.Review of the Cooperative Societies Act 1987	% of policy gaps in the CP addressed per financial year			20%	70%	100%	8.8	8.8.1 8.8.2		
	6. Review of the Credit Union Act 1987	% of policy gaps in the CP addressed per financial year			20%	70%	100%	8.8	8.8.1 8.8.2		
Output 6: Provision of organizational planning and management support.											
1.6 Organizational Planning & Performance Management	1.Organizational Planning	% of Ministry's plans submitted to CEO and Minister within the required timeframe	40%	50%	60%	70%	80%	16.6	16.6.1	\$124,200	\$43,300
	2.Process Mapping of all Programs	% of organizational process maps that were developed in a financial year	20%	30%	50%	80%	100%	16.6	16.6.1		
	3.Performance Monitor & Reporting	% of submitted to CEO and Minister within the required timeframe	20%	30%	50%	80%	100%	16.6	16.6.1		
	4.Performance Improvements	% of performance gaps addressed in a financial year	20%	30%	50%	80%	100%	16.6	16.6.1		
Output 7: A strategy to provide coherent legal advice and support to the delivery of the Ministry's organizational outputs											

1.7. Legal Services	1.Finalization of the Consumer Protection Bill and develop way forward for Competition Policy	% of legal gaps in the CP addressed per annum	50%	55%	70%	80%	100%	3.a	3.a.1	\$53,500	0
	2.Review Price Control Regulation	% of legal gaps in the CP addressed per annum	50%	60%	80%	90%	100%	1.1	1.1.1		
	3.Review Foreign Investment Regulation	% of legal gaps in the CP addressed per annum	30%	50%	70%	100%	100%	8.1	8.1.1		
	4.Review Business License Act	% of legal gaps in the CP addressed per annum	50%	60%	80%	90%	100%	8.1	8.1.1		
	5.Review of Cooperatives and Credit Union Act	% of legal gaps in the CP addressed per annum	50%	60%	80%	90%	100%	9.3	9.3.1 9.3.2		
Output 8: Development and implementation of a strategy for enforcement of business regulations and policies.											
1.8 Business Enforcement	1.Inspections and Enforcement of Business License Act, Companies Act, Foreign Investment Act, Weights & Measures Act, Price Control Act, Consumer Act, and Regulations.	% of all registered businesses inspected for compliance in a quarter	80%	85%	90%	95%	100%	16.6	16.6.1	\$94,300	\$278,600
		% of follow ups on previous inspections focussing on non-compliant businesses per week	80%	85%	90%	95%	100%				
		% of participation in Inter Gov't Taskforce work program per quarter									
		% of timely response and action to Border Control with regards to labelling of import commodities.	80%	85%	90%	95%	100%				

	2. Collect revenue from bowsers and calibration duties.	% of daily pay in from calibration duties and monthly testing of bowsers.	70%	80%	90%	100%	100%	8.1	8.1.1		
	3. Reporting of weekly inspections	% of inspection reports submitted within the required time frame	70%	80%	90%	100%	100%	8.1 16.6	8.1.1 16.6.1		
	4. Provide capacity training for Enforcement Officers.	% of technical capacity building and public relations training conducted per quarter	50%	60%	80%	90%	100%	8.1 16.6	8.1.1 16.6.1		
Output 9: Development and Implementation of a strategy for enforcement of consumer protection, price control, weight and measures, regulations and policies.											
1.9 Enforcement of Consumer Rights	1. Conduct investigation and redress complaints.	% of complaints that were successfully addressed	60%	70%	80%	90%	100%	16.6	16.6.1	\$88,600	\$101,400
	2. Public Awareness.	% of awareness programs per month	50%	60%	70%	80%	100%	16.6	16.6.1		

Summary of Program 1: Budget, Staff & New Development Projects

The recurrent budget and staff appropriations for Program 1 in 2019/20 – 2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	2,901,400	3,383,900	3,383,900	3,383,900
Salaries	1,455,100	1,658,200	1,658,200	1,658,200
Operations	1,446,300	1,725,700	1,725,700	1,725,700
Total Established Staff	40	55	55	55
Executive Staff	4	3	3	3
Professional Staff	12	20	20	20
Other Staff	24	22	22	22
Unestablished Staff	2	12	12	12

The new initiative projects proposed in the Corporate Plan for Program 1 are provided below:

New Initiative Projects	2018/19	2019/20	2020/21	2021/22
1. Renew rental contract of the main office	96,000	96,000	0	0
2. New Office	1,000,000	1,000,000	0	0
3. Relocation	104,000	104,000	0	0
4. Removal Asbestos	0	3,500,000	0	0
5. Organizational Management Project :	50,000	99,730 (59,730 for salaries)	59,730	59,730
i) Process Mapping by divisional outputs				
ii) Digitization of process maps				
iii) Development of organizational management system				
6. Legal Services Project:	0	78,090 (63,090 for salaries)	63,090	63,090
i) Revise MTED's Acts & Regulations				
ii) Bills Consultation				
Total Estimate	1,250,000	4,877,820	122,820	122,820

Change in Program 1 from Last Corporate Plan and Budget:

There has been a major change to the structure of the Leadership and Corporate Services Program relative to the previous Corporate Plan.

Change from last CP&B	Ongoing	Minor Change	Major Change	New
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4.2 Program 2: Business Registry Program

Division(s)/Sub-Programs Responsible

The Business Registry Program is comprised of two (2) sub-programs. They are:

- i) Business Registration and Information
- ii) Business Regulatory Framework

Major Customers

The Business Registry Program serves a wide range of formal business enterprises. They include the followings:

1. Sole traders
2. Companies
3. Partnerships
4. Potential entrepreneurs
5. Foreign investors and potential foreign investors
6. Credit Unions & Cooperatives
7. Charitable Trusts
8. Incorporated Societies

Program Results:

The Business Registry program primarily aims at promoting an enabling business environment that is conducive to inclusive, sustainable and resilient economic growth. It contributes to the achievement of this organizational outcome through:

- i) *the development and implementation of a strategy to provide efficient business registries, infrastructure and information; and*
- ii) *the development and implementation of a strategy to improve the local business regulatory framework.*

Outputs, Activities and KPIs for Business Registry Program:

The Outputs, Activities and KPIs for the Business Registry Program are aligned to the KPIs at the national outcomes level. They are as follows:

Output 1: Development and Implementation of a strategy to provide efficient business registries, infrastructure and information.

Sub-programs	Activity	KPIs	2017/18 Baseline	2018/19	2019/20	2020/21	2021/2022 Target	SDG/TSDf		Costing	
								Targets #	Indicators #	Operations	Salaries
2.1 Business Registrations and Information	1. Upgrade of Business Service & Information Centre.	Starting a business ranking	53	58	55	50	45	8.1	8.1.1	\$90,400	\$79,100
	2.Targeted customer service training	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	3.Information and Awareness and Education programs	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	4.Compilation of all ancillary business license registration information at MTED and made available to clients and potential investors	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	5.Business Registry Data	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	6.Business Registration - Lodging registrations documents and other filings	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	7.Receipts of payments	% of accuracy in payments	70%	80%	90%	100%	100%	8.1	8.1.1		
	8.Business Registry online system	Starting a business ranking	53	58	55	50	45	8.1	8.1.1		
	9.Administration of Business Registry Legislation and Regulation	Number of official days for processing.	5 days	5 days	5 days	3 days	3 days	8.1	8.1.1		
Output 2.2.1: Development and Implementation of a strategy to improve the local business regulatory framework											
Output 2.2.2: Development and Implementation of a strategy to improve business compliance with requirements stipulated under administered legislations.											
2.2 Business Regulatory Framework	1.Develop a business development policy and regulatory reform roadmap	Number of improvements in the 10 Doing Business topics per year	2	2	4	6	7	8.1	8.1.1	\$162,000	\$92,300
	2. Development of a strategy to improve business compliance	% of business compliance	40%	50%	60%	70%	80%	8.1	8.1.1		

	3. Implementation of strategy	% of business compliance	40%	50%	60%	70%	80%	8.1	8.1.1		
	4. Establishment of a compliance unit	% of business compliance	40%	50%	60%	70%	80%	8.1	8.1.1		

Summary of Program 2: Budget, Staff & New Development Projects

The total recurrent budget for Program 2 in 2019/20 – 2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	536,700	423,800	423,800	423,800
Salaries	202,200	171,400	171,400	171,400
Operations	334,500	252,400	252,400	252,400
Total Established Staff	8	9	9	9
Executive Staff	0	1	1	1
Professional Staff	4	4	4	4
Other Staff	4	5	5	5
Unestablished Staff	0	0	0	0

The new development projects proposed in the Corporate Plan for Program 2 are provided below:

New Development Project	2018/19	2019/20	2020/21
Transition Plan for Informal Businesses	80,000	10,000	100,000
i) Design of transition plan and regulatory roadmap			
ii) Outreach programs to the informal sector			
iii) Education and awareness activities on transition programme			
iv) Facilitation of business registration			
v) Regulatory reforms			
vi) Incentives Package for Transition			
Total Estimate	80,000	10,000	100,000

Change in Program 2 from Last Corporate Plan and Budget:

The Business Registry continues to address key constraints to the impact of their services on their targeted organizational outcome. The Business Registry Program continues to develop a business regulatory environment that will help improve Tonga's ranking in the Doing Business Index has drastically deteriorated since FY2015/16.

In addition, under its current sub-programs a new initiative to develop a Transition Strategy for Informal Enterprises is proposed in response to Government's Priorities Agenda for 2019/20-2021/22 to develop the informal sector and in line with the Ministry's Inclusive Economic Development Reform for the next three years. This new reform strategy is focused on facilitating and providing the regulatory environment that supports the transition of informal businesses to the formal sector so as to increase the economic base and support long-term economic development.

Change from last CP&B	Ongoing	Minor change	Major Change	New
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4.3 Program 3: IP Program

Division(s)/Sub-Programs Responsible

The Intellectual Property (IP) Program is comprised of three (3) sub-programs. They are:

- i) IP Registration and Information;
- ii) IP Regulatory Framework; and
- iii) Innovation & Creativity

Major Customers

The IP Program serves key clients who use IP to strengthen their business competitiveness and contribute to growth. These include:

- 1. Inventors and creators
- 2. IP owners (patent owners, industrial design owners, etc)

Program Results

Similar to the Business Registry Program, the IP program also aims at promoting an enabling business environment that is conducive to inclusive, sustainable and resilient economic growth. It contributes to the achievement of this organizational outcome through:

- i) *the development and implementation of a strategy to provide efficient IP registries, infrastructure and information; and*
- ii) *the development and implementation of a strategy to improve the local IP regulatory framework*
- iii) *the development and implementation of a strategy to promote innovation and creativity.*

Outputs, Activities and KPIs for IP Program:

The Outputs, Activities and KPIs for the IP Program are as follows:

Output 1: A strategy to provide an efficient registry, infrastructure and IP information for protection of IPRs											
Sub-programs	Activity	KPIs	2017/18 Baseline	2018/19	2019/20	2020/21	2021/22 Target	SDGs /TSDf II		Costing	
								TARGETS #	INDICATOR #	Operations	Salaries
3.1 IP Registration and Information	1. Continuing upgrading of the IPAS System, this time from V3.3.1 to V3.5.0B	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1	\$69,500	\$104,400
	2. Development of a streamlined filing and registration business process	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
	3.Data quality improvement	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
	4. Website Design and Online IP Database	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
	5.Joining and using global infrastructures (Madrid System)	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
	5.Enhanced Institutional Framework (Infrastructure)	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
	6. Development of information packages for businesses and other targeted audiences	Starting a Business Ranking	53	58	55	50	45	8.2	8.2.1		
Output 2: A strategy to improve the local IP regulatory environment so as to improve and strengthen business competitiveness											
3.2 IP Regulatory Framework	1.Development of an IP Legal and Policy	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1	\$36,500	\$45,900

Reform Roadmap											
2. Accession to the Madrid Agreement and preparation for the Madrid Protocol	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1			
3. Continue on work on the review and amendment of the Copyright Act	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1			
4. Acceding other key international instruments for Copyright (World Copyright Treaty; WIPO Performances and Phonograms Treaty; Beijing Treaty on Audiovisual Performances; Marrakesh Treaty for the Visually Impaired People)	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1			
5. Review and update of Tonga's National IP Strategy 2015/2017	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1			

	6.Continue work on the development of a Legal Framework for Traditional Knowledge (TK) and Traditional Cultural Expressions (TCE)	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1		
Output 3: A strategy to promote innovation and creativity that will strengthen business competitiveness											
3.3 Innovation Program	1.Enabling IP environment to strengthen business competitiveness through brands and designs	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1	\$54,500	0
	2.Create a strong demand for IP services from IP creators, owners and users	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1		
	3.Celebrating IP Day Developing an	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1		
	4.IP Knowledge base in Government Agencies and Instrumentalities	IP contribution to business growth	1%	1%	2%	2%	3%	8.2	8.2.1		

Summary of Program 3 Budget & Staff

The total recurrent budget for Program 3 in 2019/20 – FY2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	361,200	310,800	310,800	310,800
Salaries	156,800	150,300	150,300	150,300
Operations	204,400	160,500	160,500	160,500
Total Established Staff	5	5	5	5
Executive Staff	1	1	1	1
Professional Staff	4	4	4	4
Other Staff	0	0	0	0
Unestablished Staff	0	0	0	0

The new development projects proposed in the Corporate Plan for Program 3 are provided below:

New Development Project	2018/19	2019/20	2020/21

Change in Program 3 from Last Corporate Plan and Budget

The IP Program continues to promote a more targeted approach to the use of IP as a tool for business growth through the use of a targeted strategies to improve ease of IP registration and access to IP information. Also, it continues to provide proactive regulatory reform program to improve the local IP environment and the promotion of IP as a tool for strengthening business competitiveness and supporting innovation.

Change from last CP&B	Ongoing	Minor change	Major Change	New
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4.4 Program 4: Cooperatives and Business Support Program

Division(s)/Sub-Programs Responsible

The Cooperatives and Business Support Program is comprised of five (5) sub-programs. They are:

- i) Cooperatives & Credit Union Development Support & Promotion;
- ii) Informal Entrepreneurs Development Support & Promotion;
- iii) Business Development Support and Promotion; and
- iv) Export Supply Chain Development
- v) Exports Marketing & Promotion

Major Customers

The key customers of the Cooperatives and Business Support Program are local businesses and entrepreneurs both in the informal as well as in the formal sectors. These include:

1. Existing and potential Informal MSMEs
2. Existing and potential cooperatives and credit unions
3. Agricultural smallholder farmers
4. Artisan fishermen and aquaculture farmers
5. Women entrepreneurs
6. Handicraft makers
7. Youth entrepreneurs
8. Local manufacturers
9. Local exporters

Program Results

The Cooperatives and Business Support Program focuses on the provision of targeted support to build the productive capacity of the informal entrepreneurs and local businesses. It contributes to the achievement of this organizational outcome through:

- i) *the development and implementation of a strategy to promote and support the development of cooperatives and credit unions*
- ii) *the development and implementation of a strategy to promote and support the development of MSMEs operates in the informal sector.*
- iii) *the development and implementation of a strategy to promote formal businesses and locally manufactured products; and*
- iv) *the development and implementation of a strategy to address supply-side constraints to export development and develop an export pathway to cater for the special needs of informal local producers.*
- v) *The development and implementation of a strategy to promote and marketing Tonga's exports to the exports market.*

Outputs, Activities and KPIs for Cooperatives and Business Support Program:

The Outputs, Activities and KPIs for the Cooperatives and Business Support Program are as follows:

Output 1: Development and implementation of a strategy to promote and support the development cooperatives and credit unions.										
Sub-program	Activity	KPI	2018/19 Baseline	2019/20	2020/21	2021/2022 Target	SDGs/ TSDF II		Costing	
							TARGETS #	INDICATORS #	Operations	Salaries
4.1 Cooperatives & Credit Union Development Support and Promotion	1. Developed and established of new Primary Cooperative Societies (Coops) and strengthening of existing Coops.	Number of cooperative start-ups supported per annum, by sector and by island group	Ttp: 13 Vv: 3 Hp: 2 Eua:2 Niuas:2	Ttp: 12 Vv: 10 Hp: 6 Eua:5 Niuas: 4	Ttp: 20 Vv: 10 Hp: 6 Eua:7 Niuas: 1	Ttp: 20 Vv: 15 Hp: 6 Eua: 4 Niuas: 0	9.3	9.3.1 9.3.2	\$600,800	\$85,700
	2. Developed and established of new Credit Unions.	Number of credit union start-ups supported per annum - by island group	Ttp: 5 Vv: 0 Hp: 0 Eua:0 Niuas: 0	Ttp: 5 Vv: 5 Hp: 5 Eua: 5 Niuas: 5	Ttp: 15 Vv: 10 Hp: 6 Eua:7 Niuas: 1	Ttp: 20 Vv: 15 Hp: 6 Eua: 4 Niuas: 0	9.3	9.3.1 9.3.2		
	3. Development of the Secondary Cooperatives and Bulk Purchasing of Goods for Primary Cooperative Stores	Number of Cooperative Promotional Activities conducted	0 Secondary Cooperative Store	1 Secondary Cooperative Bulk Purchasing Store is set up			9.3	9.3.1 9.3.2		
Output 2: Development and implementation of a strategy to promote and support the development of the MSMEs.										
4.2 Informal MSME Business Development Support and Promotion	1. Develop and implement Informal MSME Product Development Programs for Agricultural, Fisheries, Manufacturing and Handicraft Informal MSMEs.	Number of informal MSME supported per annum, by island group	Ttp: 10 Vv: 10 Hp: 0 Eua:0 Niuas: 0	15 10 5 5 5	201510105	Ttp: 50 Vv: 40 Hp: 20 Eua:15 Niuas: 10	2.3 8.2	2.3.2 8.2.1	\$29,600	\$53,000
			Number of informal MSME supported per annum, by sector	Agriculture: 10 Fisheries: 0 0 Manufacturing: 2 Handicrafts:10	45 10 0 5 40	65 10 0 5 35	Agriculture: 80 Fisheries: 10 0 Manufacturing 10 Handicrafts: 35			
	2. Development and Establishment of Fale Koka'anga and Fale Lalanga for Women Weaver Groups in Villages	Number of Fale Koka'anga and Fale Lalanga are Build	0	TBU - 2 Fale Koka'anga / Lalanga	TBU - 2 Fale Koka'anga / Lalanga Vava'u - 1 Fale Koka'anga /	TBU - 1 Fale Koka'anga / Lalanga Vava'u - 2 Fale Koka'anga / Lalanga	8.2	8.2.1		

					Lalanga	Ha'apai - 2 Fale Koka'anga / Lalanga				
Output 3: Development and implementation of a strategy to promote locally manufactured products.										
4.3 Formal Businesses Product Development	1. Develop and deliver programs to support local businesses in manufacturing of quality local made products.	Number of import substitution products supported per annum	4	10	15	20	9.2	9.2.1	\$1,327,100	\$100,000
	2. Develop and implement a Tonga Made Promotional plan.	Increase in number of Tonga Made promotional activities per annum	N/A	4 promotional activities	4 Promotional activities	4 Promotional activities	9.2	9.2.1		
Output 4: Development and implementation of a strategy to address supply-side constraint to export development.										
4.4 Export Supply Chain Development & Management	1. Development of trade facilitation plans.	Number of exports with trade facilitation plans	0	2 Plans	2 Plans	2 Plans	9.3	9.3.1	\$65,000	\$0
	2. Implementation of export facilitative plans.	Volumes of export by MTED per annum	13 x 20ft containers	27 x 20ft containers	40 x 20ft containers	50 x 20ft containers	9.3	9.3.1		
	3. Development and renovating of Pack Houses and includes sourcing of equipment and facilities for processing and packing.	Number of Government Pack Houses developed and renovating.	1	2 Pack Houses	2 Pack Houses	1 Pack House	9.3	9.3.1		
Output 5: Development and implementation of a strategy to increase market access through targeted marketing and promotion.										

4.5 Exports Marketing & Promotion	1. Establish new markets for Agricultural exports, Fisheries and Handicrafts.	Number of new exports market established.	i. Agriculture - 2 ii. Fisheries - 2 iii. Handicraft – 3	i. Agriculture - 2 ii. Fisheries - 2 iii. Handicraft – 3	i. Agriculture - 2 ii. Fisheries - 2 iii. Handicraft – 3	i. Agriculture - 2 ii. Fisheries - 2 iii. Handicraft – 3	9.3	9.3.1	\$90,000	\$21,400
	2. Promote and marketing Tonga's exports ready products at Trade Fairs and Exhibitions	Numbers of export market deals are established.	i. 10 Market deals ii. 2 International Trade Shows	i. 10 Market deals ii. 2 International Trade Shows	i. 10 Market deals ii. 2 International Trade Shows	i. 10 Market deals ii. 2 International Trade Shows	9.3	9.3.1		
	3. Develop and deliver programs to support the establishment of markets for private exporter businesses	Numbers of private exporter companies are established new markets.	i. 5 Exporters	i. 5 Exporters	i. 5 Exporters	i. 5 Exporters	9.3	9.3.1		

Summary of Program 4: Budget, Staff, New Development Projects

The total recurrent budget for Program 4 in 2019/20 – FY2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	641,000	2,372,600	2,372,600	2,372,600
Salaries	154,900	260,100	260,100	260,100
Operations	486,100	2,112,500	2,112,500	2,112,500
Total Established Staff	11	9	9	9
Executive Staff	0	1	1	1
Professional Staff	8	3	3	3
Other Staff	3	5	5	5
Unestablished Staff	0	4	4	4

The new development projects proposed in the Corporate Plan for Program 4 are provided below:

New Development Project	2019/20	2020/21	2021/22
i) Primary Cooperatives Stores Set Up	875,000	760,000	650,000
ii) Secondary Cooperative Set Up	1,770,000	1,680,000	1,660,000
iii) Credit Unions & Microfinance Project	970,000	960,000	890,000
iv) Fale Lalanga & Fale Koka'anga Projects	1,030,000	1,030,000	930,000
v) Informal MSME Entrepreneurship Project	600,000	600,000	600,000
vi) District Pack Houses	800,000	700,000	700,000
vii) Women Mats for Cash Katoanga Project	390,000	440,000	540,000
Total Estimate	6,435,000	6,170,000	5,970,000

Change in Program 4 from Last Corporate Plan and Budget

The Cooperatives and Business Support Program has undergone some major changes to accommodate the Inclusive Economic Development reform program that the Ministry has established as the primary focus of this Corporate Plan. Also, due to the need of the Government Priority Area 2019 / 2020 – 2021/2022 to prioritize the development of the informal sector, a new sub-program and output has been established to cater for the promotion and development of cooperatives and credit unions.

In addition, the Ministry has also undertaken a thorough analysis of the supply-side and demand-side aspects of promoting export development and improving market access for Tongan exports. It was evident that both demand and supply sides were crucial, hence the movement of the exports marketing and promotion sub-program from the External Trade Support Program and become a new sub-program under the Cooperatives and Business Support Program to focus on marketing of products from the informal sectors to the international exports markets.

Change from last CP&B	Ongoing	Minor change	Major Change	New

4.5 Program 5: Labour Program

Division(s)/Sub-Programs Responsible

The Labour Program is comprised of three (3) sub-programs. They are:

- i) Employment Regulatory Environment;
- ii) Labour Market Research and Information; and
- iii) Labour Standards & Decent Work

Major Customers

The key clients of the Labour Program are stakeholders in the labour market. These include:

1. Workers in the domestic labour market (both locals and foreign, and formal workers in both the formal and informal sector)
2. Registered businesses and employers
3. Workers' associations
4. Employers' associations
5. Unemployed working population

Program Results

The primary organizational outcome of the Labour Program is to develop and promote labour market conditions and standards that support business growth, decent work and higher labour participation in both the formal and informal sector. It contributes to the achievement of this outcome through

- i) *the development and implementation of a strategy to improve the labour regulatory environment;*
- ii) *the development and implementation of a strategy to provide accurate labour market information, including measurement of employment in the informal sector for evidence-based policy interventions to reduce poverty; and*
- iii) *the development and implementation of a strategy to promote decent work and effective labour standards.*

Outputs, Activities and KPIs for Labour Program:

The Outputs, Activities and KPIs for the Labour Program are aligned to the KPIs at the national outcomes level. They are as follows

Output 1: Development and Implementation of a strategy to improve the labour regulatory environment.

Sub-programs	Key Activities	KPI	2017/18 Baseline	2018/19	2019/20	2020/21	2021/2022 Target	SDGs/TSDF		Costing	
								Target #	Indicator #	Operations	Salaries
5.1 Employment Regulatory Environment (activities are subject to approval of the ERB 2019)	1. Liaise with the AGO for the finalization of the Employment Relations Bill 2019 as endorsed by Cabinet, and submit the Bill to the Legislative Assembly.	The Employment Relations Bill 2019 is approved for enactment.	0	0	1	1	1	8.8	8.8.1, 8.8.2	\$67,400	\$149,400
	2. Re-establish the Employment Relations Advisory Committee (ERAC) in accordance with the Employment Relations legislation.	The Tonga National Tripartite Consultation Committee (TNTCC) is reviewed and established under the Employment Relations legislation.	1	1	1	1	1	8.5, 8.7 & 8.8	8.8.1, 8.8.2		
	3. Establishment of the Commission body as necessary.	Establishment of Commission(s) is approved by Cabinet.	0	0	0	1	1	8.8	8.8.1, 8.8.2		
	4. Education and awareness programs on the Employment Relations legislation.	Complete 4 education and awareness programs.	0	0	2	4	4	8.8	8.8.1, 8.8.2		
	5. Develop Employment Regulation in accordance with the Employment Relations legislation.	Employment regulation(s) approved.	0	0	0	1	1	8.8	8.8.1, 8.8.2		
	6. Register workers' and employers' association as per Employment Relations legislation.	Workers and employers associations are registered by sector under the Employment Relations legislation.	10	10	12	14	16	8.8	8.8.1, 8.8.2		

Output 2: Develop and Implement a strategy to provide accurate labour market information, including measurement of the informal sector and informal employment for evidence-based policy interventions to reduce poverty.

5.2 Labour Market Research & Information	1. Develop and implement a guideline for labour research and information.	Guideline for labour research and information is approved and implemented.	0	0	1	1	2	8.3	8.3.1	\$81,000	\$48,600
	2. Implement best practice on measuring informal sector employment at national level.	Informal sector and informal employment are clearly defined at national level and endorsed by the Tonga Statistics.	0	0	1	1	1	8.3	8.3.1		
	3. Upgrade existing labour database to include enhanced features for collection of labour related and employment information.	Enhanced labour database.	0	0	1	1	1	8.3	8.3.1		
	4. Disseminate quarterly labour market information update to relevant stakeholders.	4 labour market Updates.	1	0	1	2	4	8.3	8.3.1		
	5. Maintain up-to-date labour market information research, data collection and analysis for evidence-based policy decisions.	Evidence-based policy advice and decisions are made.	1	1	1	1	1	8.3	8.3.1		
	6. Assess foreign employment visa applications from Tonga Immigration – Ministry of Foreign Affairs.	At least 90% compliance with standards (<i>ie.</i> As per approved criteria and timeline).	90%	90%	95%	95%	95%	8.3	8.3.1		

Output 3: Develop and Implement a strategy to promote decent work and effective labour standards.

5.3 Labour Standards and Decent Work	1. Ratification of the ILO Conventions No. 138 & No. 182.	Ratification of the C182 & C138 is approved by the Privy Council.	0	0	1	1	1	8.7	8.7.1	\$113,200	\$60000
	2. International Labour Standards (ILS) reporting / ratified and non-ratified core Convention.	Complete reports are endorsed (by Cabinet) and submitted (to ILO) on time.	0	0	8	6	6	8.7	8.7.1		
	3. General Survey on international labour issues.	Complete GS are submitted on time.	0	1	1	1	1	8.3	8.3.1		
	4. Representation to the annual International Labour Conference.	Tonga's delegation is approved on time. Tonga's position on international labour issues are confirmed and endorsed for meetings. At least 50% approval of Tonga's requests at the ILC.	50%	50%	60%	70%	80%	8.3	8.3.1		
	5. Review for implementation the Tonga National Decent Work Country Program (DWCP).	Tonga's National Decent Work Country Program (DWCP) is signed and implemented.	0	0	1	1	2	8.3	8.3.1		
	6. Education and awareness program on international labour standards and ratified ILO Conventions.	Complete 4 nation-wide education and awareness programs.	0	0	0	2	4	8.3	8.3.1		

Summary of Program 5: Budget, Staff & New Development Projects

The total recurrent budget for Program 5 in 2019/20 – FY2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	387,200	519,600	519,600	519,600
Salaries	197,000	258,000	258,000	258,000
Operations	190,200	261,600	261,600	261,600
Total Established Staff	7	7	7	7
Executive Staff	1	1	1	1
Professional Staff	3	4	4	4
Other Staff	2	2	2	2
Unestablished Staff	0	1	1	1

The new development projects proposed in the Corporate Plan for Program 5 are provided below:

New Development Project	2018/19	2019/20	2020/21	2021/22
Enactment and implementation of the Employment Relations Bill 2019 - Development of Employment Relations Regulation.	0	207,516 (89,716 for salaries)	223,580 (83,880 for salaries)	196,980 (83,880 for salaries)
Organizational Structure Reform.	0	219,000	71,500	0
Total Estimate	0	426,516	295080	196,980

Change in Program 5 from Last Corporate Plan and Budget

Moderate changes have been made to the Labour Program relative to the previous Corporate Plan. The objective of these changes was to allow for specific outputs on informal employment, the enactment of the Employment Relations Bill and the development of relevant Regulation. The envisaged enactment of the Employment Relations Bill will result in establishment of an authority oversight body – the Employment Relations Advisory Committee (ERAC) – as well as enforcement officers of the law.

As per current GPA on public reform, it is highly recommended that consideration be given to consolidate the fragmented functions of labour as well as employment, under a dedicated department or portfolio and to align with the country's human resource development aspirations. The Ministry propose a commencement of such a reform from FY2021/2022.

Change from last CP&B	Ongoing	Minor change	Major Change	New
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4.6 Program 6: Consumer Protection and Fair Trade Program

Division(s)/Sub-Programs Responsible

The Consumer Protection & Fair Trade Program is comprised of three (3) sub-programs. They are:

- i) Consumer Institutional and Regulatory Environment;
- ii) Consumer Awareness & Education; and
- iii) Price Control

Major Customers

The key clients of the Consumer Protection & Fair Trade Program are primarily consumers. However, the program also provides services to registered businesses including:

1. Distributors (wholesalers, importers)
2. Retailers (shops and service stations)
3. Regulated service providers (taxis, heavy trucks, buses)
4. Suppliers of petroleum and LPG
5. Power Utility

Program Results

The primary organizational outcome of the Consumer Protection & Fair Trade Program is the promotion of a robust consumer protection and fair trade regime that shapes consumer and business behaviour. It contributes to the achievement of this outcome through:

- i) the development and implementation of a strategy to improve the consumer regulatory environment;*
- ii) the development and implementation of a strategy to empower consumers through increased consumer awareness and education; and*
- iii) the development and implementation of a strategy to protect consumer interests through price control*

Outputs, Activities and KPIs for Consumer Protection & Fair Trade Program:

The Outputs, Activities and KPIs for the Consumer Protection and Fair Trade Program are aligned to the KPIs at the national outcomes level. They are as follows

Output 1: Development and implementation of a strategy to improve the consumer regulatory environment.

Sub-programs	Activity	KPIs	2017/18 Baseline	2018/19	2019/20	2020/21	2021/2022 Target	SDGs /TSDf II		Costing	
								Targets #	Indicators #	Operations	Salaries
6.1 Consumer Institutional and Regulatory Environment	1. That the Consumer Institutional and Regulatory Roadmap is updated	Number of planned regulatory reforms completed each year	1	1	2	2	3	16.6	16.6.2	\$43,800	\$47,700
	2. Regulatory review of the Price Control regulation is finalised, endorsed and submitted to Cabinet										
	3. Regulatory review of the Consumer Protection Bill and regulation is developed, endorsed and submitted to Cabinet										
	4. Development of the Standards and enforcement programs for Weight and Measures and the regulatory review of the Weight and Measures Act and Regulation										
	5. Assess proposed registration of as Government Member to Consumers International										
	6. Strategy for the development and set up of the proposed set up of the Tonga Consumer Council developed, endorsed and submitted to Cabinet.										

Output 2: Development and implementation of a strategy to empower consumers through increased consumer awareness and education.

6.2 Consumer Awareness Campaign and Education	1. Development and implementation of the Consumer Awareness Campaign and Education Strategy	Number of awareness and education programs per annum	3	4	8	10	12	2.1 3.a	2.1.1 2.1.2 3.a.1	\$65,900	\$23,800
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	2.Development and regular update of the Consumer Facebook page and collateral materials	Number of participants (likes/targeted audience)	50	1000	2000	2500	3000				
Output 3: Development and implementation of a strategy to protect consumer interests through price control.											
6.3Price Control	1.Monthly, Quarterly and Annual Review of the Petroleum and LPG Price	% change in annual average prices of petroleum and LPG	N/A	2%	4%	2%	2%	2.1	2.1.1	\$211,500	\$74,000
	2.Biennial Review of other Regulated goods and services	% change in annual average prices regulated goods	N/A	1%	1%	2%	5%				
	3.Secretariat to the Tonga Competent Authority	# of new policies endorsed	N/A	2	3	4	5				
	4.Conduct market research and surveys on the proposed regulated goods	% change in list of regulated goods	N/A	1	2	5	5				

Summary of Program 6: Budget, Staff & New Development Projects

The total recurrent budget for Program 6 in 2019/20 – FY2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	470,800	466,700	466,700	466,700
Salaries	143,900	145,500	145,500	145,500
Operations	326,900	321,200	321,200	321,200
Total Established Staff	5	5	5	5
Executive Staff	1	1	1	1
Professional Staff	4	3	3	3
Other Staff	0	1	1	1
Unestablished Staff	0	1	1	1

The new development projects proposed in the Corporate Plan for Program 6 are provided below:

New Development Project	2018/19	2019/20	2020/21
Review of Regulated Goods & Services	50,000	60,000	0
i) Survey & Data Collection			
ii) Data Analysis			
iii) Review of regulated goods and services			
iv) Submission to CA for approval			
Development of the Consumer and Competition Policy		100,000	
i) TA to coordinate consultations and development of Consumer and Competition Policy			
ii) Public consultations			
iii) Submission to cabinet for approval			
Development of standards for Consumer Goods			80,000
i) TA to review the need for development of standards for specific consumer goods			
ii) Consultations and development of Standards for Consumer Goods			
Review proposed institutional set up of the Tonga Consumer Council to include budget and operations costs			100,000
i) TA to provide consultations			
ii) Report submitted for CA endorsement			
Total Estimate	50,000	160,000	180,000

Change in Program 6 from Last Corporate Plan and Budget

There have been no changes to the structure of the Consumer Protection and Fair Trade Program relative to the previous Corporate Plan

Change from last CP&B	Ongoing	Minor change	Major Change	New

4.7 Program 7: External Trade Support Program

Division(s)/Sub-Programs Responsible

The External Trade Support Program is comprised of three (3) sub-programs. They are:

- i) Trade data & Market Research;
- ii) FDI Promotion and Facilitation; and
- iii) Trade Negotiations & WTO Notifications

Major Customers

The key clients of the External Trade Support Program are stakeholders who are engaged in international trade in goods and services. These include:

- 1. Small-scale exporters
- 2. Export-ready businesses who have not exported
- 3. Importers
- 4. Foreign investors
- 5. Domestic businesses/investors
- 6. Labour mobility workers/Unemployed
- 7. General Public
- 8. WTO and FTA parties

Program Results

The External Trade Support Program is primarily focused on delivering targeted support to increase and diversify Tongan exports and promote FDI. It contributes to the achievement of this organizational outcome through:

- i) the development and implementation of a strategy to identify new exports products/markets through trade data analysis and research*
- ii) the development and implementation of a strategy to increase foreign investment inflows; and*
- iii) the development and implementation of a strategy to increase market access and advance Tonga's gains from international trade*

Outputs, Activities and KPIs for External Trade Support Program:

The Outputs, Activities and KPIs for the External Trade Support Program are aligned to the KPIs at the national outcomes level. They are as follows:

Output 1: Develop and implement a strategy to identify new exports products/markets through trade data analysis and research.

Sub-programs	Activity	KPIs	2017/18 Baseline	2018/19	2019/20	2020/21	2021/2022 Target	SDGs /TSDf II		Costing	
								Targets#	Indicators#	Operations	Salaries
7.1 Trade data and Market Research	1. Management and collection of trade statistics	Number of new potential export markets - per sector	N/A	1	3	5	10	1.1 9.2	1.1.1 9.2.1	\$170,200	\$29,300
	2. Conduct market research on Tongan diaspora in New Zealand and Australia	Number of new potential value-added export products - per sector	N/A	1	2	3	5				
		Number of Trade Market Information publications disseminated	N/A	0	1		1				
	3. Biennial Exporter Needs Assessment	Number of new potential export products-per sector	N/A	Agriculture: 1 Fisheries : 1 Handicrafts: 1	Agriculture:2 Fisheries: 2 Handicrafts: 2	Agriculture: 3 Fisheries: 3 Handicrafts : 3	Agriculture: 5 Fisheries: 3 Handicrafts: 3				
		Number of Trade Market Information publications disseminated	N/A	0	1		1				
	4. Market research in New Zealand, Australia	Number of new potential export products per sector	N/A	Agriculture: 1 Fisheries : 1 Handicrafts: 1	Agriculture: 2 Fisheries: 2 Handicrafts: 2	Agriculture: 3 Fisheries: 3 Handicrafts : 3	Agriculture: 5 Fisheries: 3 Handicrafts: 3				
		Number of Trade Market Information publications disseminated	N/A	0	1	1	1				
		Number of new potential export markets - per sector	N/A	1	3	5	10				

Output 2: Develop and implement a strategy to increase foreign investment inflows.

7.2 FDI Promotion and Facilitation	1.Profiling of investment opportunities	Number of potential opportunities identified for foreign investment	1	1	2	3	4	8.1	8.1.1	\$292,600	\$33,800
	2.Development of National Investment Promotion Strategy	% of policy gaps addressed	N/A	1%	5%	10%	15%	8.a	8.a.1		
	3. Promotion of investment opportunities through participation in international exhibitions, Business & Investment Forums	Number of foreign investment promotion programs	1	1	2	3	4	9.2	9.2.1		
	4. Pre and Post investment care	Number of FDI businesses assisted by nationality	1	5	10	15	20	10.b	10.b.1		
	5.Hosting of Investment Promotion Mission to Tonga	Number of investment promotion missions assisted	N/A	1	2	3	4				
	6. Annual Investment Promotion Forum in New Zealand and Australia for investment opportunities of Tongan diaspora	Number of foreign investment inflows of Tongan diaspora	N/A	5	10	15	20				

	7. Development of investment promotion materials	Number of foreign investment promotion programs per country	N/A	1	2	3	5				
	8. Recruitment of Investment Officer in New Zealand and Australia to carry out promotional activities for Tonga	Number of new foreign investment inflows to Tonga	N/A	1	5	10	15				
Output 3: Develop and implement a strategy to increase market access and advance Tonga's gains from international trade.											
7.3 Trade Negotiations and WTO Notifications	1. Monitoring and submission of WTO outstanding obligations	Number of trade barriers identified and addressed at the WTO	1	2	2	3	5	3.b	3.b.1	\$58,200	\$78,300
	2. Monitor WTO trade obligations on remaining Doha issues and new emerging in the Multilateral Trading System including Aft initiatives such as e-commerce, MSME, Investment Facilitation	% increase in market access as a result of FTA trade negotiations	0%	2%	3%	4%	5%	5.1	5.1.1		
		Number of trade barriers identified and addressed	1	2	2	3	5	8.1	8.1.1		
	3. Secretariat to the Trade Economic Development Working Group and Cabinet Trade Economic Development Steering Committee	Number of trade issues identified and addressed	N/A	3	5	8	10	10.b	10.b.1		
								14.6	14.6.1		
								17.12	17.12.1		

	4. Coordinate and facilitate preparation of trade negotiation positions on Free Trade Agreement (FTA) in which Tonga is a party to	Number of trade issues identified and addressed	N/A	2%	5%	10%	15%				
		% increase in market access, number of new products and market secured	N/A	5%	10%	15%	20%				
	5. Monitor existing trade obligations in existing FTAs and targeted activities and ensuring conclusion of negotiations and effective implementation of those that has been concluded (PACER Plus and PICTA)	Number of trade issues identified and addressed	N/A	1	2	2	5				
	6. Monitoring successful accession into iEPA and effective implementation of iEPA between Tonga and the EU	Number of opportunities identified	N/A	1	2	3	5				
	7. Preparation for ratification and implementation of WTO Trade Facilitation Agreement (TFA)	% increase in the market access as a result of implementation	N/A	0%	10%	15%	20%				
	8. Preparation for implementation of PICTA Agreement upon completion of domestic legislative review	% increase in the market access as a result of implementation	N/A	0%	5%	7%	10%				

9. Preparation for ratification and implementation of PACER Plus Agreement	% increase in the market access as a result of implementation	N/A	0%	5%	10%	12%				
10. Representation in Trade Negotiations/ Trainings/ Meetings/ Short Term Training	Number of trade barriers addressed	N/A	3	5	7	8				
11. Finalise Bilateral Trade Agreement with Samoa	Number of trade barriers addressed	N/A	1	2	2	3				
	% increase in market access	N/A	0	5%	10%	12%				
12. Conduct massive public awareness program on trade negotiations issues	Number of awareness programs conducted	N/A	1	2	4	5				
13. Implementation of Tonga Trade Policy Framework (TTPF)	Number of trade barriers/ issues addressed	N/A	1	3	5	8				

Summary of Program 7: Budget, Staff and New Development Projects

The total recurrent budget for Program 7 in 2019/20– FY2021/22 are provided below.

Description	2018/19	2019/20	2020/21	2021/22
Total Recurrent (\$)	2,380,100	662,400	662,400	662,400
Salaries	169,300	141,400	141,400	141,400
Operations	2,210,800	521,000	521,000	521,000
Total Established Staff	5	5	5	5
Executive Staff	1	1	1	1
Professional Staff	4	4	4	4
Other Staff	0	0	0	0
Unestablished Staff	0	2	2	2

The new development projects proposed in the Corporate Plan for Program 7 are provided below:

New Development Project	2019/20	2020/21	2021/22
i) Diaspora Engagement for Inclusive Economic Development Reform	\$320,000	\$378,000	\$425,000
Total Estimate	\$320,000	\$378,000	\$425,000

Change in Program 7 from Last Corporate Plan and Budget

The External Trade Support Program has also been subject to some minor changes to accommodate the Inclusive Economic Development reform program of the Ministry and the Government Priority Agenda for 2019/20-2021/22 to develop the informal sector. The gap analysis undertaken by the Ministry identified that there is a strong interrelationship between the supply-side and the demand-side aspects of promoting export development and improving market access for Tongan products.

The outputs have there been redesigned to reflect this connection and as a result, Export Marketing and Promotion has been moved from External Trade to Cooperatives & Business Support Program. Within this capacity is a specific focus on increasing market access for exports produced by grassroots farmers, fishermen and handicraft makers with strong emphasis on strengthening the contribution to the economic development from the informal sector.

The trade negotiation sub-program was also revised to address Tonga's outstanding notification obligations to the WTO as well as new emerging WTO agreements.

Change from last CP&B	Ongoing	Minor change	Major Change	New

Annex 1: Detailed Stakeholder Analysis

Stakeholder	Customer of MTED	Supplier to MTED	Partner with MTED	Oversight of MTED
	Received from/provided to MTED			
Businesses	Advice; guidance; instructions; services; information.	Feedback on service delivery; commercial goods; services.	Support of the MTED CP; co-implementers of PS development strategies.	Monitor; petition
General Public (consumers)	Advice; services; information.	Feedback on service delivery.		Vote; petition
MDAs	Advice; information.	Information; advice.	Operating effectiveness of government; support of the MTED CP (through coordinated activities on key outputs).	Oversight by PSC & MFNP – policy and operations.
Development Partners	Advice; instructions, services; information.	Development assistance and advice	Delivery of aid funded programs	Oversight of the development fund utilization through the MFNP.
NSA, CSO, Churches	Services; information.	Information.		Monitor; petition
Cabinet	Advice; recommendations; information.	Decisions.	Operating effectiveness of government.	Direction.
LA	Advice; recommendations; information.	Decisions; legislation.		Direction.
Public Enterprises			Support of MTED CP	

Annex 2: MTED Statutory Legislations

	LEGISLATIONS	PURPOSE
1	Licences (Amendment) Act 2007 Business Licence (Amendment) Act 2010 Business Licence (Amendment) Act 2012	To provide for the licensing of all business activities in the country
	Business Licence Regulations 2012	For the administration and enforcement of the Business License Act and amendments.
2	Registration of Business Name Act 2013	To provide for the registration of all registered businesses business names.
	Registration of Business Name Regulations 2014	For the administration of the Business Name Act.
3	Companies Act 1995 Companies (Amendment No.1) Act 1999 Companies (Amendment) Act 2001 Companies (Amendment) Act 2009	For the incorporation of Companies
	Companies Regulations 1999 Companies (Liquidation) Regulations 1999 Companies (Amended) Regulations 2003 Companies (Amended) Regulations 2009 Companies (Amended) Regulations 2010 Companies (Amended) Regulations 2014	For the administration of the Companies Act
4	Foreign Investment Act 2002	Investment promotion and attraction and to protect local investors/Tongans businesses in activities that are reserved for Tongans
	Foreign Investment Regulation 2006	For the administration of the Foreign Investment Act
5	Consumer Protection Act 2000	To protect consumer interests and to establish measures to enable consumers to obtain redress
	Consumer Protection (Product Safety And Labelling Standards) Regulation 2006	To administer product safety and labelling standards as prescribed under the Consumer Protection Act.
6	Prices & Wages Control Act 1988	To establish the Competent Authority and to ensure measures to regulate prices and wages
7	Weights & Measures Act 1988	To provide an uniform standard and units of measurement to be used in the country
	Weights & Measures (Amendment) Act 1997	
	Weights & Measures (Amendment) Act 1998	
8	Incorporated Societies Act 1988	For incorporation of non-profit organization
	Incorporated Societies Regulations Incorporated Societies (Amendment) Regulations 2010	For the administration of the Incorporated Societies Act
9	Charitable Trust Act 1993	For registration of a trust board for charitable purposes
	Charitable Trust Regulations 2010	For the administration of the Charitable Trust Act
10	Industrial Property Act 1994	For the protection of industrial properties, namely-patent, integrated circuit, industrial design and trademarks
	Industrial Property (Amendment) Act 1999	
	Industrial Property (Amendment) Act 2002	
	Industrial Property (Amendment) Act 2009	
	Industrial Property Regulations 2000 Industrial Property (Amendment) Regulations 2010	For the administration of the industrial property Act-patent, integrated circuit, industrial design and trademarks
11	Copyrights Act	For the protection of literary and artistic works
12	Geographical Indications Act 2002	For the protection of particular products which are of such qualities that corresponds to a specific place of origin
	Geographical Indications Regulations 2008	For the administration of the Geographical Indication Act
13	Protection of Lay-out Designs (Topographies) of Integrated Circuits Act 2002	For the protection of plans which show the three dimensional location of the electronic components of an integrated circuit

	Protection of Layout Designs (Topographies) of Integrated Circuits Regulations 2009	
14	Protection against Unfair Competitions Act	For the protection of intellectual property assets (Industrial properties and Copyright) from competitors
15	Personal Property Securities Act 2010	For promoting commerce by facilitating business and consumer credit with a unified set of rules on the taking of personal property as security and similar transactions.
	Personal Property Securities Regulations 2011	To provide administration rules to the Personal Property Act
16	Cooperative Societies Act 1988 (revised edition)	To regulate the operations of Cooperative Societies in Tonga
	Cooperative Societies Rules	To administer the Cooperative Societies Act
17	Credit Unions Act	To regulate the operations of Credit Unions in Tonga