

**Ministry of Trade & Economic Development**

# QUARTERLY NEWSLETTER



January-March 2021 VOL I, ISSUE 001

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## HON. MOEAKI NEW MINISTER FOR MTED

The Ministry welcomes Hon. Tafa'u Moeaki as the new Minister for Trade and Economic Development. He was made Minister of the Ministry of Trade and Economic Development (MTED) by Royal Appointment on the 25th January, 2021 by recommendation of the Prime Minister of Tonga, Hon. Pohiva Tu'i'onetoa.

Moeaki takes on the role from the previous Minister and Member of Parliament, Hon. Samiu Vaipulu.

Moeaki brings with him a wealth of experiences and a regional and international network and rapporteur that will undoubtedly benefit the Ministry and her staff and executives.

Moeaki was previously the Coordination Officer for the Asian Development Bank focal office in Tonga.

He was also previously the Chief Executive for the Ministry of Finance and National Planning prior to that, Chief Executive of the Ministry of Labour, Commerce, Trade and Industries (as MTED was known back then).

He is no stranger to government policy, procedures and protocols, and the elucidation of our public and national interests. He will have a unique set of perspectives and insights that will be an important asset to the leadership but also for the Ministry.

His appointment signals the single biggest evolution of policy direction from the previous leadership and will aim at pushing and fast-tracking industrial modernization, and trade and investment.



*Hon Tafa'u Moeaki  
 Minister for Trade and Economic Development*

## COVID FUND FOR BUSINESSES CONTINUES

The Ministry of Trade and Economic Development continues to provide assistance to the private sector and the public through its Business Recovery Support: COVID-19 Assistance Phase 3.

The Ministry hopes that the fund provided will allow businesses and informal businesses alike to recover from the negative impacts of COVID-19.

This support is part of the government of Tonga’s plan to assist businesses and locals during the COVID-19 pandemic. The Ministry has begun inviting all interested businesses, including informal businesses to apply for the relevant components under this support fund.

The Ministry also wishes to inform the

general public as well as businesses of the following component assistances and each respective division to receive more information from: 1) Business Registry & Intellectual Property Division provides assistance for COVID-19 Registered Business Support Fund & Business Support Partnership Support. 2). Business Support Division provides assistance for COVID-19 Informal Business Support Fund and; 3). Labour Division provides assistance for COVID-19 Temporary Wage Subsidy Support Fund & Unemployment Registration.

Applications closed Friday 30th

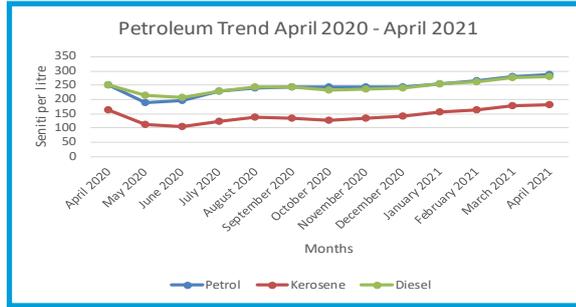


# MARKET TRENDS AND PRICES

## OIL'S COVID FALL

Due to the Covid 19 pandemic, crude oil saw substantial reduction in prices since March 2020 to lows not seen for decades (<USD 22/bbl). The lowest in petroleum retail prices were experienced in the May-June 2020 prices with 187.58 seniti per litre for petrol, 207.11 for diesel and 104.27 for kerosene. June – July prices continued to increase since. International (Dated Brent) crude oil prices continue to increase with an average for March 2021 of <USD 65.7/ bbl) the highest since the second quarter of 2020.

\*The Tonga Competent Authority (TCA) sets the maximum prices for petroleum on a monthly basis. The Ministry's Consumer Protection and Fair Trade Division is the Secretariat to the TCA. Monthly petroleum prices are effective on the 18th ( unless falls on the weekend or public holiday) each month.



...That **YOU** have the **RIGHT** to request a **RECEIPT** of any purchases you make?

## Competent Authority Regulated Goods

Flour	Onion
Sugar (Brown/White)	Fruits
Butter/Margarine	Chicken
Milk (Liquid/Powdered)	Beef
Infant formula	Fish (Frozen)
Tea	Tin Fish
Rice	Insecticide/Weedicide/ Fungicides/Agro Chems/ Fertilizers
Coffee/Milo/Cocoa	Vegetables
Cooking Oil	Tapa papercloth
Cheese/Dripping	Lamb flaps/Neck/ Sternum
Salt	
Petrol/Diesel	
Engine lubricant Oil	
Potato	

YES!—According to the CONSUMER PROTECTION ACT 2000, Section 20:

When asked, every trader shall give buyers receipts which sets out—  
(a) the date of the sale;  
(b) the quantity of goods sold;  
(c) the price paid for such; a  
(d) whether the sale was wholesale or retail

**SAI KE TAU 'ILO!**

## UNEMPLOYMENT REGISTRATION

The COVID-19 Unemployment Registration is a Government support program introduced to assist individuals find jobs during this Covid-19 period. By registering, applicants confirm their interest in seeking and/or training for employment.

Application forms are available from the Ministry's Labour Division. The Program aimed for those who lost their jobs due to COVID-19, and seeking new jobs.

Applications is still open until 30 June 2021. Those interested are encouraged to apply. For details and enquiries contact Mele 'ana Afemui on telephone 7400105 or 7400104 during office hours, or email us on labour@mted.gov.to or simply text us on 8713716

## FARMERS COOPERATIVES: DRIVERS OF GROWTH



Cooperation, collaboration, and pooling of resources to achieve greater goals is a significant modus operandi of Tongan culture and island way of life.

So, there is value in nurturing family-oriented Farmers' Cooperative Societies.

The Ministry is leading the effort to establishing Farmers' Cooperative Societies especially for households in the rural areas. The initiative hopes to provide a platform for empowerment of farmers in the rural communities. With the aim that they'll be able to produce quality crops for consistent supply into foreign markets.

The Government has allocated \$1.3 million Tongan Pa'anga to provide as an Empowerment Package to assist Farmers Cooperatives and their members in terms of access to adequate finance to assist with their costs of productions.

The Ministry has established four Farmers' Cooperative Societies in the outer islands and is planning of establishing three more Farmers' Cooperative Societies in Tongatapu before the end of the Financial Year. More Societies is planned to be established in the new Financial Year.

The Ministry is working together with MAFF to provide assistance to the Farmers' Cooperative Societies.

## Tonga's 2<sup>nd</sup> WTO Trade Policy Review

Tonga recently completed its Second Trade Policy Review, convened virtually via online conference on the 14 & 16 April 2021.

Abiding by the Trade Policy Review Mechanism (TPRM) of the World Trade Organization (WTO), all members' national trade policies/practices required to be periodically reviewed. Tonga's first Trade Policy Review was conducted in 2014.

Tonga's Delegation attended virtually from Nuku'alofa, led by Hon. Tatafu Moeaki, Minister for Trade and Economic Development, with top officials from Ministries of Revenue & Customs; Agriculture, Food and Forests; Foreign Affairs, Crown Law, and Tonga's Permanent Representative to the WTO, Hon. Fanetupouvava'u Tu'ivakano.



Senior Officers Ms Esterlina Alipate (MTED), Mr Felemi Ika (MTED), Ms Rose Kautoke (AGO), Ms Lorraine Kauhenga (MTED), Mr Leonaitasi Kuluni (MFA)  
Mr Lolomana'ia Halafahi Acting CEO MAFF; Hon Tatafu Moeaki Minister for Trade and Economic Development; and Mr Kelemete Vahe CEO Revenue and Customs.

## SMALL BUSINESSES DEVELOPMENT

The Business Support Division of the Ministry is happy to announce the continuation of its support towards the development and growing of informal Micro, Small, and Medium sized Enterprises (MSMEs) in the grassroots.

About 60% of the economy exists in the Informal Sector, indicating that the greater portion of the economy is extremely under-optimized and under-leveraged for its potential.

Development and formalization of the informal sector is a key goal of the Ministry, with the aim to assist the businesses who are at the MSME level to be able to grow and expand their businesses sufficiently that they are stable and confident enough to emerge from the informal sector and register and become formal entities.

In the past months, the Division conducted more than 10 Micro MSME Business Training Sessions in the towns throughout Tongatapu and



Tevita Halatanu, MTED Director for Business Support, with enthused entrepreneurs from across the country.

was attended by more than 250 participants. The trainings were followed by site visits to the businesses and the selection of the 35 successful candidates and Champions of the Ministry's micro MSME Product Development Projects.

The program also provided assistance through provision of much-needed tools, equipment, and facilities that add value to the quality and quantity of products produced by MSMEs.



Register with our UNEMPLOYMENT REGISTRATION Program. We'll help you find a position most suited for your skills and aspirations, especially those who lost employment because of COVID-19.

As of Monday 3rd of May, there were 29 Vacancies in government service alone. There's good chance one of them is for you. Contact our Labour Division: Call 7400105/7400104, Text 8713716 or Email [labour@mtd.gov.to](mailto:labour@mtd.gov.to).

## NEW APPOINTMENTS



The Ministry acknowledges the transfer and promotion of Mr. Charles Lavemaau to the position of Deputy CEO for MTED's Corporate Services Division, meanwhile Ms. Poinisetia Paongo has been promoted to the position of Deputy CEO for Business Registry and Intellectual Property.

## FACILITATING EXPORT ACCESS

The Business Support Division of the Ministry continues to assist small farmer holders from villages and communities in the outer islands through sourcing and exporting their crops to the international markets.

The Ministry has sent more than 30 containers in the past two years of mixed fresh and frozen root crops including taro, tarua, cassava, yams, kape and coconuts to markets in New Zealand and Australia.

The Ministry is making preparations for the opening of the 2021 watermelon season on the first week of May 2021, with plans to send more than 10 containers to the New Zealand market. MTED is working together with MAFF Extension Division and the farmers to schedule productions to ensure consistency in supplying the markets with the best quality products from Tonga.

## TRADE WEEK 2021

The Ministry is planning to host its first ever Trade Week on the first week of June, 2021 (8th-11th June). The Trade Week is designed to raise the bar in encouraging key stakeholders, and find collaborative pathways to boost Tonga’s economic recovery. Due to COVID-19 pandemic, stakeholders from both the public and private sector have been affected and the Ministry stands to accommodate that venture during the Trade Week 2021.

This is a new initiative for the Ministry and will be a platform for all organizations involved in economic and to showcase to the type of services they can access. The Ministry will include other stakeholder ministries in trade and economic development such as Finance, Revenue and Customs, Internal Affairs, MAFF, Fisheries, Tourism and stakeholders such as National Reserve Bank and Tonga Chamber of Commerce and Industries.

The Ministry acknowledges the need for more awareness on trade and business in Tonga, and will undertake similar other awareness and engagement activities in the future.

## LABOUR DIVISION RAPID ASSESSMENT

The national tripartite met with local consultant, Mr. Viliami Takau, to discuss the progress on Tonga’s Rapid Assessment on the Impacts of COVID-19 on Employment and Businesses.

The meeting was chaired by the Chief Executive Officer of the Ministry for Trade and Economic Development, Mrs. Distaquaine Tu’ihalamaka.

Representing the workers’ associations was Secretary General of the Public Service Association, Ms. Mele ‘Amanaki, and the employers’ associations was represented by the Chief Executive

Officer of the Tonga Chamber of Commerce and Industries, Ms. Lakai Fonua.

Also present was the Acting Deputy CEO for Labour, Mr. Sione Faleafa, and Senior Labour Officer, Mr. Mohulamu Lolomana’ia.

Mr. Takau presented the first draft findings of the survey to be finalized in the coming weeks in the final Rapid Assessment Report.

The RA is financially supported by the International Labor Organization (ILO).



Chief Executive for MTED, Mrs Distaquaine Tu ihalamaka, Mr Sione Faleafa of MTED’s Labour Division, Mrs Lakai Fonua of Tonga Chamber, Mr Viliami Takau (Consultant) and Mrs Mele ‘Amanaki

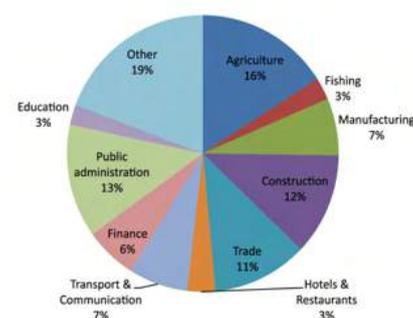
## PACIFIC FOREIGN DIRECT INVESTMENT (FDI) STUDY

MTED is working together with Asian Development Bank (ADB) who is currently undertaking a study on foreign direct investment in the Pacific Region, including and in particular in our case, Tonga.

The collaboration began in December 2020, where the Investment Promotion and Facilitation Unit of the Ministry assisted in collating information related to the study from line Ministries and MTED’s own Divisions and databases.

Key consideration included: the importance of FDI, FDI entry, investment guarantees and obligations, foreign investor long-term residence in the country, FDI Monitoring and Investment Promotion.

The consultant (ADB) is on the final



Tonga GDP by Sector (2012 Data, Researchgate/Tonga Stats Dept.)

stages of the study and is awaiting relevant Ministries of Tonga to provide confirmations on the draft results of the assessment undertaken.

MTED recently confirmed these results via email in the past weeks. The ADB is yet to issue a final report of this study.

## JOINT PIFS-ITC SYMPOSIUM ON TRADE FINANCE

The initial two-day virtual Pacific Trade Finance Symposium was conducted by the Pacific Islands Forum Secretariat (PIFS) in collaboration with the International Trade Centre (ITC) and co-organizers the Melanesian Spearhead Group Secretariat, Organization of the African Caribbean Pacific States (OACPS), the European Union delegation in Suva and the Commonwealth Secretariat on the 10 and 11 of March 2021.

The symposium was deemed timely given the low level of participation of Pacific Private Sector in regional and international trade resulting from limited access to finance albeit the availability of resources. Given that 90% of businesses in the Pacific are Micro Small Medium Enterprises and are responsible for 90% for job creation, there is a need for bankable projects to be more MSME oriented

whereby providing frameworks, with simplified application procedures and appropriate collateral requirements to enable Pacific businesses to develop projects and access finance.

The symposium presented the opportunity for open and constructive engagements both by senior policy makers in the region, and the private sector, who ultimately benefitted through development of bankable proposals.

MTED hosted the delivery of the virtual symposium and participated alongside participants from the region’s Senior Trade and Economic Officials, Chambers of Commerce, National banks, and MSMEs. A total of twenty two participants joined from Tonga’s public and private agencies.



*Deputy CEO for Policy and Planning Lorraine Kauhenga, and Senior Trade Officer Esterlina Alipate locked on trade negotiations.*

*“...low participation in trade due to limited access to finance...”*

## TONGA INVESTMENT PROJECT

The government of Tonga requested COMSEC for the provision of technical assistance to support Tonga’s Investment Facilitation, Investment Promotion, and Create Sector Profiles.

The aim of this initiative is to offer support to the Government of Tonga in developing a menu of investment promotion and facilitation policy documents. The assistance is expected to result in four major outcomes.

The first outcome of this project will provide a detailed analysis of the investment opportunities by sector.

COMSEC has contracted a consultancy firm namely Avasant (global company) who will undertake the activities required for the first phase of the project.

MTED is working in collaboration with Avasant to ensure a smooth progress in successfully completing this outcome. A national consultation, and consultations with relevant private and public sector,



was scheduled to commence on the 31st March—22nd April, 2021.

All consultations will be delivered virtually as a result of COVID-19 and travel restrictions, with the assistance of MTED to organize consultation sessions. We aim to complete the first phase of the investment project by June 25th, 2021.

The Ministry of Trade and Economic Development contributes to the TSDP II by creating a “more progressive Tonga supporting a higher quality of life for all”. It is also linked to the national economic outcome of a more inclusive, sustainable and dynamic, knowledge based economy.

The Ministry consists of seven (7) programs: Business Registry and Intellectual Property, Business Support, Consumer Protection and Fair Trade, Corporate Services, Trade, Investment Promotion, and Labour Program.



**NO  
PLASTICS!**

## WORLD CONSUMER RIGHTS DAY 2021



CEO of MTED, Ms. Distaquaine Tu'ihalamaka with MTED officers, community leaders, and iron-willed volunteers Fatafehi O Lapaha Filipe, NZ High Commissioner to Tonga H.E. Ms Tiffany Babbington Lady Lupe Fielakepa, Dr 'Uhilamoelangi Fasi, and Dr Fe'iloaki Tevi and leading the "No-Pelesitiki Campaign".

World Consumer Rights Day is celebrated globally every year on the 15 March since 1983. It is an annual occasion to celebrate and express solidarity towards international consumer movements. All consumer organizations around the world advocate on the theme through campaigns, workshops and publications.

This year, the WCRD theme is

**Tackling Plastic Pollution.** The Consumer Protection and Fair-Trade Division, also known as Consumer Affairs Tonga partnered with the No-Pelesitiki Campaign to organize and mobilize our networks to action the theme presented by the Consumer International Organization and developed a local theme "Be a no-pelesitiki consumer".

On Saturday, 13 March, the Ministry staff and the No-Pelesitiki Campaign Networks joined together to pick-up rubbish along the Nuku'alofa waterfront.

There were groups from Sopu, Kolomotu'a, Kolofo'ou, Fasi and Fangaloto/Popua. After the clean-up campaign, a short program was hosted by the Ministry to thank the No-Pelesitiki Campaign for partnering in this effort where

the donor of the No-Pelesitiki Campaign, Her Excellency Tiffany Babbington, the New Zealand High Commissioner emphasized the need for businesses, government and consumers to work together to accelerate the work being done to ban single-use plastics in Tonga.

On Monday, 15 March, the Ministry hosted an official program to recognize the efforts of existing businesses to tackle plastic pollution by eliminating plastic in their packaging and products.

The Ministry notes that although consumers have a choice to reduce their consumption of plastic, it is businesses that are making that choice available to consumers. There were altogether 14 businesses and organizations that were awarded a recognition certificate to show our appreciation for businesses that are already making that choice of ditching plastic easier for consumers.

### Ministry of Trade and Economic Development

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