

T&C

Snapshots

Data Note

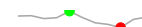


Tonga

| | | |
|------------------------------------|------------------------|--|
| Population (millions) (2017) | Poverty rate (2009) | Ease of Doing Business Rank (2016) |
| 0.11 | 1.09 | 78.00 |

Macro Indicators

| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| GDP growth (annual %) | — | — | — | — | — | — |
| Current account balance | — | — | — | — | — | — |
| Fiscal balance (% of GDP) | — | — | — | — | — | — |
| Remittances, received (% of GDP) [1] | 26 | 28 | — | — | — | — |
| Real Effective Exchange Rate (2010=100) | — | — | — | — | — | — |
| Consumer Price Index, annual percent change | — | — | — | — | — | — |



Investment indicators

| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | — | — | — | — | — | — |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 25.5 | — | — | — | — | — |
| Inward FDI (% of GDP) [2] | 7.5 | 11.7 | 12.9 | — | — | — |
| Inward FDI, % of private investment [2] | 12.2 | NA | — | — | — | — |



Trade Indicators

| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Total Trade in Goods and Services (% of GDP, real terms) | NA | — | — | — | — | — |
| Trade balance (% GDP, real terms) | NA | — | — | — | — | — |
| Exports, Goods and Services, annual percent change (real terms) | NA | — | — | — | — | — |
| Imports, Goods and Services, annual percent change (real terms) | NA | — | — | — | — | — |
| Total reserves in months of imports [1] | 4.6 | — | — | — | — | — |

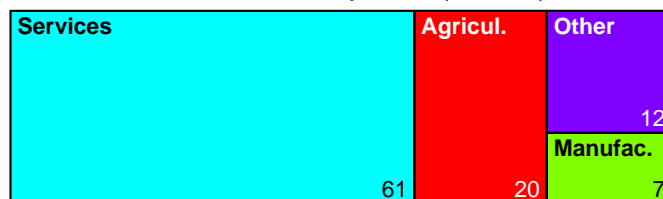


Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015

Data not available

Gross Value Added by Economic Activity 2013 (% GDP)



Source: Development Prospects Group (DECPG)

Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014

| | | | |
|-------------------------------------|-------------------------------------|---------------------------------------|--------------------------------------|
| Vegetable products, roots and tuber | Molluscs and aquatic invertebrates, | Fish, fresh (live or dead) or chilled | Other fresh or chilled vegetables |
| 26 | 20 | 19 | 7 |
| | | | Edible nuts (excluding nuts chiefly) |
| | | | 7 |

Imports Categories by % of Total Value, 2014

| | | | |
|----------------|---------------|--------------------|---------------|
| Consumer goods | Capital goods | Intermediate goods | Raw materials |
| 56 | 20 | 13 | 12 |

Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

| | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 22 | 22 | 0 |
| Ease of Doing Business Rank | 74 | 78 | -4 |
| Enforcing Contracts | 97 | 97 | 0 |
| Getting Credit | 36 | 42 | -6 |
| Getting Electricity | 60 | 61 | -1 |
| Paying Taxes | 74 | 82 | -8 |
| Protecting Minority Investors | 114 | 115 | -1 |
| Registering Property | 152 | 154 | -2 |
| Resolving Insolvency | 132 | 131 | 1 |
| Starting a Business | 49 | 53 | -4 |
| Trading Across Borders | 87 | 87 | 0 |

Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)

Data not available

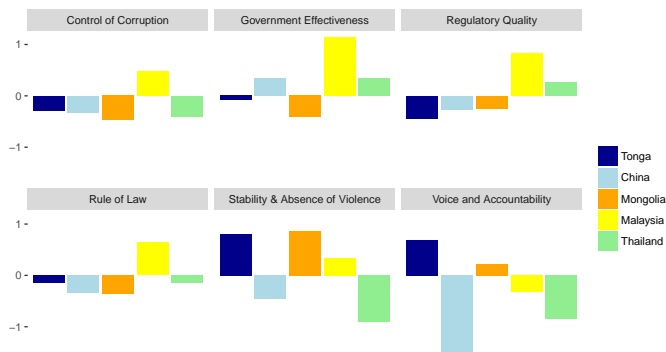
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)

Data not available

Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 11.1 | — |
| Binding (%) | 100 | — |
| Dispersion (Standard Deviation) | 7.2 | — |
| Import duties collected [1] | — | — |
| MFN Tariff (Agriculture) | 11.7 | — |
| MFN Tariff (Non-Agriculture) | 11.5 | — |
| MFN Tariff (Simple Average) | 11.7 | — |
| Services sectors with GATS commitments [1] | — | 90 |

Sources: WITS, [1] WTO Trade Profiles

Private Sector's Views

Enterprise Survey 2013

| | Tonga | East Asia and Pacific | All Countries |
|---|-------|-----------------------|---------------|
| Number of electrical outages in a typical month | 2.00 | 3.50 | 6.30 |
| Percent of firms with a bank loan/line of credit | 54.30 | 35.00 | 34.30 |
| Proportion of investment financed by banks (%) | 26.50 | 12.80 | 14.30 |
| Proportion of investment financed internally (%) | 34.20 | 74.70 | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | 6.60 | 6.70 | 9.90 |

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)

Data not available

Source: WEF Global Competitiveness Report 2015



T&C Snapshots Operations Note



Tonga

SCD/CPF

Most Recent

| Product | Document | Date |
|---------|----------|------|
| None | | |

Planned

| Product | Concept | Review Date | Board Date |
|---------|---------|-------------|------------|
| None | | | |

WB Lending Pipeline

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|--------------|-------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| None | | | | | | | | | | |

WB Portfolio

Active

[illegible]

Closed

[illegible]

WB ASA
Active

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------|-------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| None | | | | | | | | | |

Closed

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------|-------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| None | | | | | | | | | |

IFC ASA
Active

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---|--------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 561891 | Tonga Regulatory Simplification and Investment Policy and Promotion Program | Beasley, Amy | 2008-04-15 | 2011-04-30 | 1,435 | 1,277 | 0 |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None | | | | | | | |

Closed

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|-----------------------------------|----------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 549045 | Tonga Regulatory Reform: Phase II | Moody, Alan Andrew | 2006-08-04 | 2008-06-01 | 337 | 238 | 0 |
| 538789 | Administrative Barriers (Tonga) | Duggan, Sean Malcolm | 2005-09-01 | — | 0 | 0 | 0 |
| 538755 | Regulatory Reform Implementation | Moody, Alan Andrew | 2005-08-16 | — | 0 | 0 | 0 |