



Land area

720 km²



Gross Domestic Product (GDP)

GDP (million, current USD, 2017): 427.7

GDP per capita (current USD, 2017): 3959

GDP growth rate (% , average 2010-2017): 2.0



Population

Total (2017): 108,020

Density (per km², 2017): 150

Urban (% of total, 2017): 23

Life expectancy (years, 2016, male/female): 70/76



Human Development

Human Development Index (HDI¹) 2017: 0.726

(high human development group)

HDI rank: 98

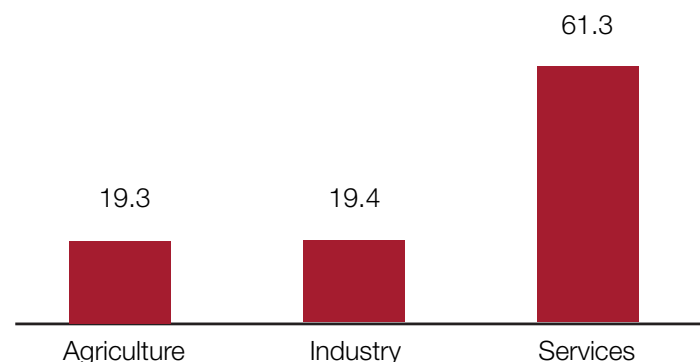
Population below income poverty line² (% , 2015): 1.0

Gini Index³ (2015): 37.6

UN LDC group: No

Source: World Bank, World Development Indicators database for all the indicators except HDI value and rank, which come from UNDP (2018).

Tonga's sectoral structure of economic activity (share of GDP in per cent, 2016)



Source: Calculations based on UNCTADstat Database



KEY FACTS

- Agriculture (notably among men) and industry (mainly among women) remain the main sources of employment in Tonga.
- As in the other 9PICs⁴, Tonga's small market prevents it from enjoying the potential benefits of economies of scale. This, combined with geographical remoteness, creates difficulties for the country to integrate into international markets.

Note:

¹ HDI is a composite index that integrates three basic dimensions of human development: life expectancy at birth as a proxy of the ability to live a long and healthy life; mean of years of schooling and expected years of schooling as a proxy of acquired knowledge; and gross national income per capita as a proxy of the ability to achieve a decent standard of living. An HDI close to zero indicates greater distance from the maximum that can be achieved on the factors entering the HDI and vice versa. For technical details, see <http://hdr.undp.org/en/content/human-development-index-hdi>.

² Based on PPP USD 1.90 per day.

³ The Gini coefficient measures the deviation of the distribution of income among individuals or households from a perfectly equal distribution. A coefficient of 0 represents perfect income equality (all persons or households have the same income) and a value of 1, perfect income inequality (all income is concentrated by one person or one household).

⁴ Nine Pacific Island Countries Signatories of the PACER Plus (9PICs).

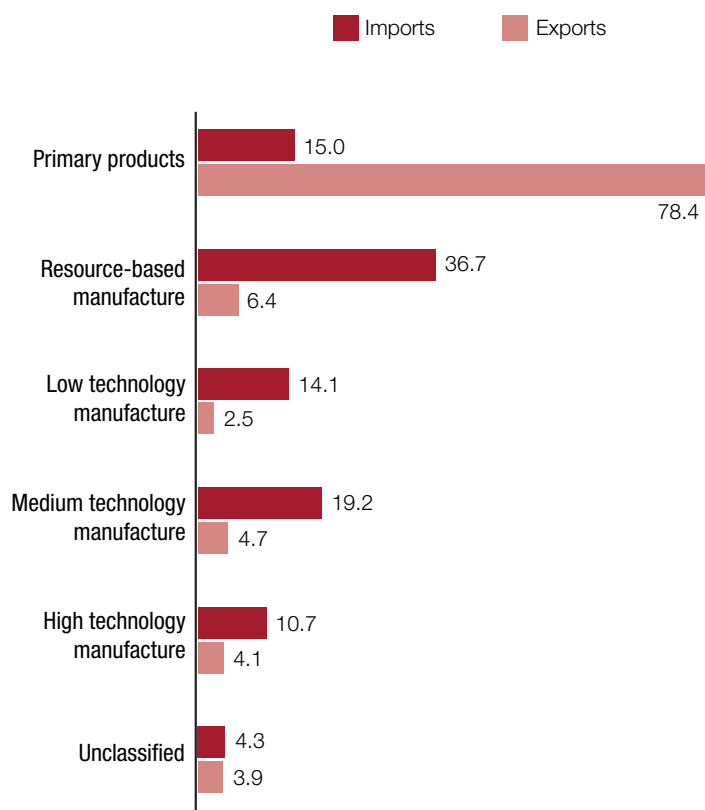
Trade profile

Tonga's membership in trade agreements

Agreement	Scope
South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA)	Duty free access to the markets of Australia and New Zealand
The Cotonou Agreement	Development; political; economic and trade cooperation. From "non-reciprocal" trade preferences in favour of Africa, Caribbean and Pacific (ACP) countries to reciprocal trade preferences through Economic Partnership Agreements (EPAs)
The Pacific Island Countries Trade Agreement (PICTA)	Progressive reduction/elimination of tariffs among member countries
PICTA Trade in Services Protocol (PICTA-TIS)	Preferential trade among the parties on a range of services
Pacific Agreement on Closer Economic Relations (PACER) Plus	Trade in goods and services, temporary movement of skilled workers, investment, development and economic cooperation
General Scheme of Preferences (GSP)	Beneficiaries have duty free or preferential access to the donor country markets
WTO membership	Trade in goods and services; IPRs, trade remedies; implementation and monitoring; dispute settlement; capacity building

Source: UNCTAD Secretariat

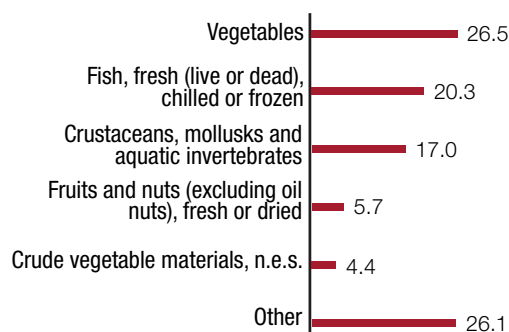
Tonga's trade composition by product group between 2015-2017 (per cent shares)



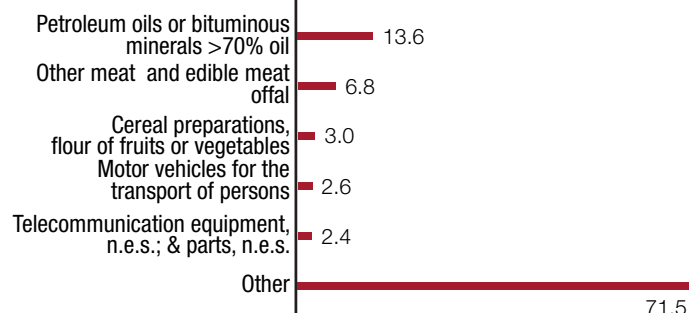
Source: Calculations based on UNCTADstat Database

Tonga's main export and import products (2015-2017 average)

EXPORTS (share of total)



IMPORTS (share of total)

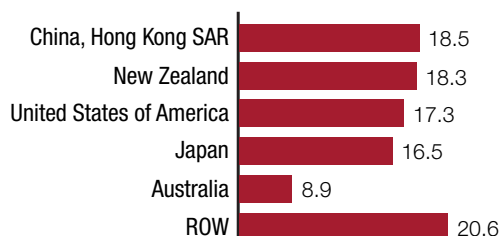


Source: Calculations based on UNCTADstat Database

Tonga's main export and import partners (2015–2017 average)

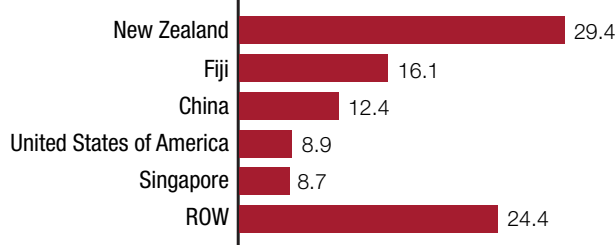
EXPORTS

(share of total)



IMPORTS

(share of total)



Source: Calculations based on UNCTADstat Database

KEY FACTS

- Merchandise exports as a percentage of GDP in Tonga increased (from 3 to about 6 per cent) between 2005–2007 and 2015–2017 while merchandise imports grew from about 44 to almost 53 per cent for the same periods. Services exports also increased their share of GDP during those periods (from 11 to 20 per cent) while services imports increased (from 14 to 21 per cent).
- The technological classification of trade⁵ for the period 2015–2017 shows that more than 78 per cent of Tonga's exports are primary products. Most imports are resource-based manufactures (36.7 per cent), followed by medium technology manufactures (19 per cent) and primary products (15 per cent).
- Tonga has reduced its dependence on few export products as shown by its concentration index⁶ (which decreased from 0.52 on average for the period 1995–1997 to 0.34 for 2015–2017). Its concentration index of imports also decreased for the same periods (from 0.24 to 0.16).
- Tonga's main export markets are in developing Asia (the share grew from 5 to 29 per cent between 1995–1997 and 2015–2017⁷) and in developed Asia (even though its importance has significantly decreased from 51 to about 17 per cent, between the same periods). Developed economies

in Oceania, on the other hand, have gained importance as export partners for Tonga between 1995–1997 and 2015–2017 (from more than 10 to more than 27 per cent). Hong Kong, New Zealand, United States of America and Japan are Tonga's main export partners.

- Tonga's imports from developing Asia and developing Oceania have significantly increased and account for 30 and 16 per cent, respectively (average 2015–2017). In contrast, developed Oceania's relative importance has receded (from more than 64 in 1995–1997 to 35 per cent for 2015–2017) – it remains, however, an important source of Tonga's imports. New Zealand, Fiji and China are Tonga's main import partners.
- Tonga has been a member of WTO since 2007.
- Tonga is a member of the Pacific Islands Forum (PIF).⁸

Gender profile

KEY FACTS

- Unlike most of the 9PICs, Tonga has not achieved full gender parity for school enrolment in primary education (UNFPA Pacific Sub-regional Office, 2014). However, it has achieved it for secondary and tertiary education –like most of the other 9PICs.
- Youth (15–24 years old) literacy in Tonga is high (more than 90 per cent) for both the male and female population.
- The Labour Force Participation rate in 2017 was 75 per cent for men and 47 per cent for women; among the youth (15–24 years old) it was 48 per cent for men and 26 per cent for women.
- 59 per cent of employed women work in industry; 37 per cent in the services sector and 4 per cent in agriculture.

Note:

⁵ Exports can be grouped by product groups based on technological categories following the classification scheme developed by Lall (2000). For a detailed list of product groups by technology category see "Product by technological categories" available at http://unctadstat.unctad.org/EN/Classifications/DimSItcRev3Products_Ldc_Hierarchy.pdf

⁶ The Concentration Index or Herfindahl-Hirschmann Index is a measure of the degree of product concentration of exports (or imports). Values close to 1 indicate that exports (or imports) are highly concentrated in a few products while values close to 0 indicate a more homogeneous distribution of exports (or imports) among a wider range of products (UNCTADstat).

⁷ These periods have been chosen to analyse whether there have been significant changes after two decades.

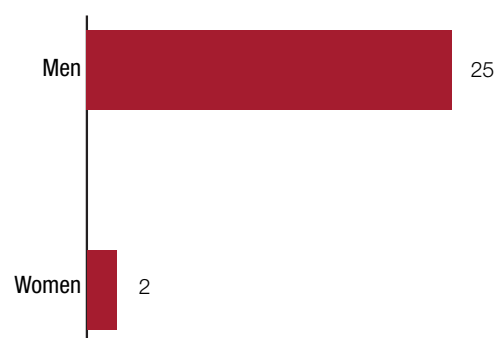
⁸ PIF is the region's premier political and economic policy organization.

- Women are mainly employed in the following services (out of the 37 per cent): Public administration, community, social, personal and similar services (18 per cent); trade including wholesale, retail trade and repair (11 per cent); transport, tourism (accommodation and food services), and finance (3 per cent each subsector).
- Tonga's Constitution does not contain a specific clause on non-discrimination on the basis of sex. The Constitution and the *Land Act 1988* 's laws of succession favour males, e.g. women can only inherit land in the absence of male heirs.
- Tonga's National Gender and Development Policy, 2014 revision, recognizes the importance of women representation and participation in decision-making, of equal access to employment and productive assets, and of women's vulnerability – not least to respond to disaster and environmental and climate change (at present these vulnerabilities are not properly acknowledged by national strategies). The 2014 revision also calls to strengthen the

enabling environment for gender mainstreaming.

- Tonga has not ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

Number of women and men in Parliament, 2018



Source: Inter-Parliamentary Union (2018)

Tonga's gender inputs

Ratified International Conventions or Commitments	Gender in trade policy	Other Gender Programmes
International Covenant on Economic, Social, and Cultural Rights (1972)	Tonga is in the stage of finalizing its first trade policy framework.	Ending Violence Against Women (EVAW, UN Women)
Convention on the Rights of the Child (CRC) (1995)		Women's Economic Empowerment (WEE, UN Women)
Beijing Declaration and Platform for Action (1995)		Gender and Protection in Humanitarian Action programme (GPiHA) and Disaster Risk Reduction (UN Women)
Agenda 2030 (2015)		

Sources: Pacific Islands Legal Information Institute; University of the South Pacific's School of Law; UN Women – Asia-Pacific (2018).