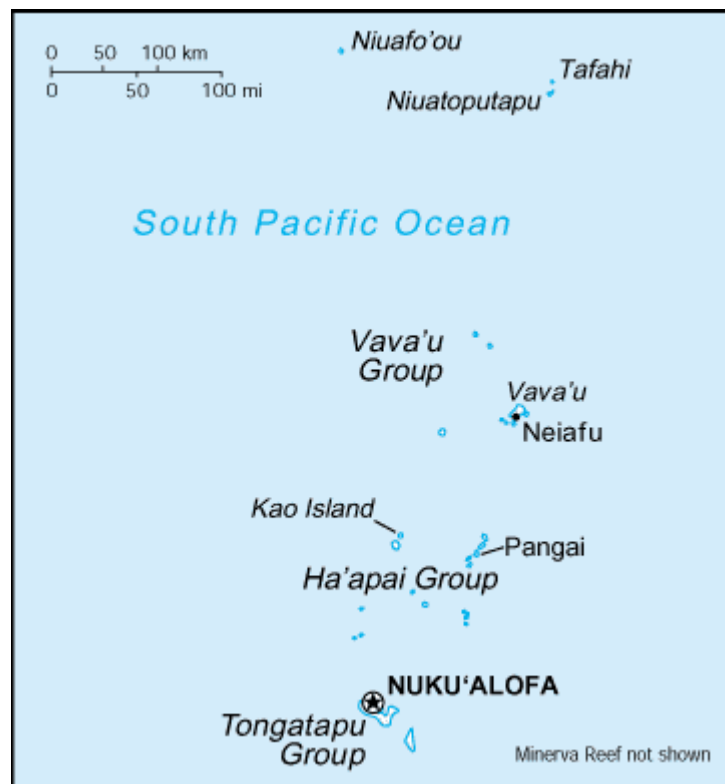


# TOURISM SECTOR STUDY

## TONGA



### 1. ECONOMIC INDICATORS OF TOURISM

#### 1.1 Key Economic Indicators

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Population ('000) <sup>a</sup>	100.3	100.7	101.0	101.7	98.3 <sup>b</sup>
Population Growth (%) <sup>a</sup>	0.5	0.4	0.3	0.7	
GDP (US\$m) <sup>b</sup>	159.0	37.0	136.0	138.0	131.0
Real GDP Growth(%) <sup>b</sup>	6.5	0.5	1.6	2.5	(0.5)
GDP/Capita (US\$) <sup>b</sup>	1,590	1,370	1,360	1,357	
Tourism Contribution to GDP (%) <sup>c</sup>			5.0	14.7 <sup>d</sup>	
Merchandise Trade Balance (pa'anga mn) <sup>d</sup>	(84.7) <sup>e</sup>	(96.7)	(94.9)	(124.1)	
Inflation Rate (%) <sup>d</sup>	5.2	7.0	10.3	11.1	4.5
Exchange Rate (US\$1 to pa'anga) <sup>a</sup>	1.76	2.12	2.20		

a – Asian Development Bank Key Indicators 2000-2003; Pacific Island Populations, SPC, 2004.  
b – Market Information & Analysis Section, Australian Department of Foreign Affairs & Trade, using data from the Australian Bureau of Statistics and various international sources; 2003 subject to revision; 2004 IMF forecast.  
c – SPTO Regional Tourism Strategy for the South and Central Pacific.  
d. Government of Tonga - Ministry of Finance & National Reserve Bank; financial years; 2004 ADB estimate.

## **1.2 Balance of Payments**

Tonga's overall balance of payments has been in deficit for some years and it is not unusual for gross international reserves to be equivalent to only 2 months of imports. During the Financial Year 2001, the central bank devalued its currency by about 19.0% against the US\$, it has since rebounded slightly due to the weakness of the dollar. Inflation remains high, mainly as a result of increasing world prices and some further devaluation of the Tongan pa'anga. The Asian Development Bank (ADB) anticipates increases in exports in 2004-2005 but no major improvement is foreseen in the overall balance of payments unless foreign investment grows significantly. It expects the country's inflation rate to moderate to around 4-5%.

## **1.3 Employment**

The labour force stood at 33,908 in 1996 since when there has been no update. Two-thirds of the labour force was employed in agriculture at that time though the trend is downwards as new forms of employment – including construction and tourism – emerge. There are 1,408 persons directly employed in tourism. Using the South Pacific Tourism Organisation (SPTO) formula that tourism accounts for 3.2% of the country's formal employment, total employment in tourism and tourism-related jobs (i.e. direct and indirect, full and part time) now exceeds 3,000.

## **1.4 Construction Costs**

Locally produced building materials include blocks, roofing iron, paints and nails. Other materials, including additional amounts of locally produced materials can be obtained from local distributors who are well stocked with reliable supplies of good quality materials. Large hotel projects requiring substantial amounts of building materials can import directly as imported building materials for such projects qualify for duty concessions. Construction costs though rising are still reasonable. Average construction costs range from US\$450-500 per sq. metre. Duty-free entry of building materials and low labour costs provide significant relief to the building industry.

## **1.5 Operating Costs**

Tonga does not have any minimum wage legislation. Although trade unions are provided for, no trade unions exist in the country or for the tourism sector in particular. The average minimum wage generally paid in the hospitality industry is currently around T\$1.80 per hour (equivalent to just over US\$0.50). Wage levels in the construction industry vary from \$20 a day for a hired hand to \$30 a day for a skilled tradesman. Fuel prices are in line with the South Pacific regional average at US\$0.67 for motor gasoline and US\$0.65 for diesel (end 2003 prices).

## **1.6 Local Skills Base**

Catering labour is available in sufficient quantities, though middle management labour is in short supply. Investors are free to hire expatriate labour at higher levels. Periodic training for middle management and catering labour is generally organised under various aid schemes (e.g. the AusAid 1998-2003 training programme), while the South Pacific Tourism Organisation organised training programmes for hotel employees up to 2000.

Two local tertiary colleges provide basic Certificate level hotel and catering courses. Hospitality courses are conducted at two local institutes. Tonga is also a member country of the University of the South Pacific which has a locally-based campus. Distance learning programmes are also available for tourism and hospitality courses.

The capacity to construct small to medium-size hotels exists in Tonga. There are a few main contractors who can handle sizeable projects. Local skilled labour is available in sufficient quantities to undertake most types of building works, except for some specialised skills and supervisory levels manpower which can be recruited from abroad. One locally-based contractor is undertaking major projects, including resorts, across the Pacific.

## **1.7 Infrastructure and Services**

### **Air and Sea Access**

Fua'amotu International Airport on Tongatapu has a paved runway of up 2,671 metres capable of handling medium range jet passenger aircraft. Following the cessation of operations of Royal Tongan Airlines on international routes early in 2004, Tonga is served by the foreign carriers only on the following routes:

- **From New Zealand (2 points):** *Air New Zealand, Polynesian Airlines (some services in code share with Qantas).*
- **From Australia (1 point):** *Polynesian Airlines – Air New Zealand also provides connecting but not direct services from all Australian ports.*
- **From other Pacific States:** *Air Pacific and Air Fiji to/from Fiji (2 points); Air New Zealand, Polynesian Airlines to/from Samoa.*
- **From the USA:** *Air New Zealand from/to Los Angeles.*

In addition Tonga has five domestic airports, three with unpaved runways – at Eua, Niufo'ou, Niuatoputapu Ha'apai and Vava'u both have unpaved runways capable of taking 40 passenger aircraft. Services were infrequent in the second quarter of 2004 because of aircraft breakdown of Royal Tongan's domestic fleet. In June 2004 Air Waves, flying as Peau Vava'u, commenced operations on all domestic route except the Niua's and now has two DC3 aircraft.

The main port is at Nuku'alofa. Berthing for overseas cargo and cruise ships is available at all times. Handling and storage space for 20-foot dry and refrigerated containers are available. Similar facilities have been set up on the island of Vava'u. Four community-owned boats service Ha'apai, Vava'u and 'Eua weekly. A number of shipping lines service Tonga's trade on regular international routes, varying with individual lines from fortnightly to twelve-weekly services. The Shipping Corporation of Polynesia (a joint venture with Columbus Line) operates inter-island diesel cargo boats which service Tonga's northern island groups of Ha'apai and Vava'u. There are daily services to the nearby island of 'Eua by two ships.

### **Telecommunications and Information Technology**

Tonga has access to international communications through its own satellite system. Access to communication systems, including telephone, facsimile, email and Internet are readily

available and most companies utilise email on a daily basis. Local mobile phones are available but not global roaming from other services.

### Utilities

Electricity is 240 volt AC, 50Hz generated by fossil fuel (diesel). A major programme of electrification of rural areas and outer islands supported by a concessional loan from the ADB has been completed as part of the country's Second Power Development Project. The power generation plant in the capital area has been privatized and electricity supply is reliable, but distribution facilities are still under a state agency – the Tonga Electric Power Board. Costs are relatively high.

### Roads

Tonga has an extensive network of sealed roads linking the main population centers. Signage, however, is generally poor.

## **2. TOURISM STATUS AND TRENDS**

### **2.1 The Tourism Offer**

Tonga's strengths as a tourism destination are:

- Remote location and small population
- Each island group provides distinctly different experiences to the visitor. From the hub of the capital Nuku'alofa on Tongatapu in the south; to volcanic and coral islands of the Ha'apai group; to the picturesque waterways of the Vava'u archipelago, and to the remote volcanic Nuias in the far north.
- The Tongan people have an open, respectful relationship with visitors.
- The nation is the only Kingdom in the region and also has a rich history and heritage that can be highlighted for visitors
- The strict observance of the Sabbath and the strong influence of the church provide some fascinating experiences for tourists.
- Marine and coastal resources are ideally suited to both eco-tourism and also fishing.
- The potential to develop inter-island holidays is great; the diversity of the products available is considerable.
- The proximity of Tonga to other island nations (especially Samoa, Niue and Fiji) makes for interesting multi-nation product possibilities.
- There are untapped cultural and natural resources that can cater to demands for more authentic and 'green' tourism products.

**Vava'u** is rapidly becoming the active outdoor lifestyle center of Tonga. The peak season is from May to November. There are high quality restaurants and a choice of hotels, resorts and guesthouses -- mostly located in or around Neiafu township. Visitors can explore the archipelago aboard a yacht or launch, or take a scenic flight. With many white sand beaches protected by colorful coral reefs, **swimming** and **reef life**

**exploration** are principal tourist pursuits. **Diving** tours are professionally organised to nearby shipwrecks and caves. In the clear, crystalline, water visibility extends beyond 30 meters. **Fishing** is a traditional way of life in Vava'u and visitors are able to participate in fishing trips.

Humpback **whales** arrive in Tongan waters from about June through to November. The whales come here to calf and to mate. Only the male whales sing. Tonga is one of the few places in the world where visitors can swim with whales.

**Tongatapu** is the center of Tongan culture and the main tourist destination, accounting for 65% of visitor accommodation and 67% of tourism employment. There is a good range of accommodation including two offshore island resorts. Restaurants are of a standard equivalent to, or better than, any other South Pacific country. The main attractions include diving, the tombs and stone structures of an earlier age, the beaches and islands, a bird park, spectacular blowholes, the waterfront and the Royal Palace. The Tongan National Centre has a museum and dinner shows with traditional Tongan dancing.

**Ha'apai** has local guesthouses, a quality European-owned resort and offers an escape to an earlier age with its deserted beaches, remote islands and laid-back lifestyle.

### Accommodation

Tonga has 50 tourist accommodation units with an average of 14.4 rooms per operation. Total room capacity is 790. There are no large establishments – the Dateline Hotel in Nuku'alofa with 132 rooms being the largest. There are a variety of hotels, resorts, lodges, cottages and guesthouses – the full listing is given in Appendix 1. The encouragement of new good quality, small and medium scale accommodation to attract the higher spending experience-oriented tourist who wants to combine being off-the-beaten-track with creature comforts is a primary focus of the Tongan tourism development strategy.

## **2.2 Market Trends**

Steady growth was recorded in international tourist arrivals from 1998 to 2000 but, as with most destinations in the world, Tonga suffered from the reduction in air travel following the terrorist attacks in the USA during late 2001. However, it bounced back strongly in 2002, recording an 11.4% growth rate in arrivals compared to the same period in 2001. Growth has continued in 2003 but is likely to fall back in 2004 due to the closure of Royal Tongan Airlines.

Tourist arrivals in Tonga amounted to 56,894 in 2003. Over 70% arrive by air; almost 19% are from cruise ships (both passengers and crew) while the remainder are either crew from foreign cargo vessels or yacht visitors.

The yacht market is very seasonal and while there have been some good peaks in 1999 and 2000, it remains relatively slow growing and serviced mainly in the Vava'u group. The cruise-ship market was in a steady decline but grew 23.4% in 2002 compared to 2001 and continued to grow in 2003. It appears to have stagnated somewhat in 2004.

Just under half of all visitors, state their main motive to visit as a holiday. More than a third are visiting friends and relatives while the remainder visit for business purposes.

The main source markets for overnight visitors to Tonga (not excursionists) at present are New Zealand, USA, and Australia (Table 2). Some of the European countries are providing a smaller but growing number of visitors, particularly the UK. Asian markets, particularly Japan, are beginning to emerge but these visitors are primarily engaged in the fishing industry or Chinese workers in construction or business.

The key long haul markets had the following market share in 1986 - Japan 2%, Germany 5%, and the UK 2%. By 2003 the respective market share figures were 2%, 2%, and 3%. In simple terms, then only the UK saw slight market share increase – and that from a very small base.

	2001	2002	2003
USA	6,302	7,473	7,565
Canada	370	328	365
Australia	5,416	6,261	8,272
New Zealand	11,064	12,938	14,682
Fiji	1,696	2,112	2,012
Other Pacific	1,150	1,558	1,411
United Kingdom	1,367	1,334	1,385
Germany	1,290	945	979
Other Europe	1,944	1,807	1,767
Japan	832	796	790
China	269	44	92
Other Asia	597	839	673
Other countries	89	150	117
<b>Total</b>	<b>32,386</b>	<b>36,585</b>	<b>40,110</b>

### Occupancy and Seasonality

Occupancy rate statistics are not collected. While the prestige resorts and the capital's accommodation operations may achieve higher levels of occupancy, overall utilization levels are not believed to be over 50%.

Most visitors arrive in the months of June to September and in the month of December.

### Estimates of Expenditure

Gross foreign exchange earnings from tourism doubled between 1998/99 and 2002/03 from pa'anga 13mn to 25.6mn. Much of this growth is attributable to the decline of the pa'anga. Converted to US\$ at the rates of exchange prevailing in the two years in question, tourist receipts for 1998/99 and 2002/03 are calculated at US\$8.2mn and 12.0mn respectively.

## **3. INVESTMENT OPPORTUNITIES IN TOURISM**

Like countries throughout the region Tonga has decided to focus its future tourism development on its natural features and strong culture. Ecotourism is the driving force behind recent tourism developments in Ha'apai, Eua and Vava'u. Marine resources are particularly highlighted – with the potential for further development of yachting, whale watching and diving in Vava'u highlighted in current strategy and planning documents.

A cornerstone of the tourism strategy is the ability to maintain reliable air-links – both international and on domestic routes. Despite the Privy Council (i.e. King and cabinet) authorising financial assistance to Royal Tongan Airlines outside the budget appropriation process, the airline failed in April 2004 and its leased plane was impounded. At present Air New Zealand and Polynesian Airlines are capitalising on international demand for the destination. The demise of the national carrier calls into question the ability to deliver policies designed to spread tourism's benefits.

Two major aid projects have been having a big impact on the strategies and approaches being adopted in the industry. The AusAid Tonga Tourism Project 1998-2004 – is worth several million dollars and focuses on product development and promotion. It is developing cooperative marketing and promotion programs to enhance the critical mass behind marketing efforts; it has also been playing a role in institutional strengthening – especially at the Tonga Visitors Bureau. AusAid is also developing industry training; community awareness. A key focus is on developing and packaging attractions to make the tourism product more visible internationally. At the local scale the project is also designed to improve signage and to assist in the development of future tourism plans.

A NZAid Tourism Project (2001-2004) has been focused on product improvement and sustainable development in Eua and Vava'u. The emphasis is on ecotourism product development, including: national park management; environmental education; tour guide training.

A National Tourist Advisory Board, chaired by the Prime Minister and with representatives from other key Government Departments as well as the private sector covering the major island groups, meets twice a year to discuss and advise on major policy issues concerning the tourism sector.

The private sector industry operators are represented by four tourist associations to cover the geographic spread of the island groups of Tonga. They work in conjunction with the TVB to promote Tonga as a tourist destination. They also provide an industry voice to Government on issues affecting tourism operators.

### Accommodation

The following prospective development opportunities have been highlighted by the TVB. It represents a "wish list" at this stage with only 'Uoleva actually under construction, a small amount of expansion being undertaken at Billy's Place, and two rooms being upgraded at Niu'akalo.

#### **Tongatapu**

New Major Beach Resort and Hotel at Popua Peninsula (150 rooms)

New Beach Resort Hotel at Talafo'ou (60 rooms)

Re-develop and Upgrade Keleti Beach Resort (30 rooms)

Upgrade Princess Beach Resort, Fo'ui (30 rooms)

Complete Airport Hotel as a Conference Centre (100 rooms)

New Fishing Lodge at Fukave Island (5 rooms)

Upgrade of Heilala Lodge, Tofoa (10 rooms)

#### **Vava'u**

New Beach Resort on 'Euakafa Island (50 rooms)

New Beach Resort on 'Ovalau Island (50 rooms)

New Beach Resort on Kapa Island (20 rooms)  
Expand and Upgrade Tongan Beach Resort (20 rooms)  
Expand and Upgrade Mala Island Resort (20 rooms)  
Upgrade of Ika Lahi Fishing Lodge, Hunga Island (8 rooms)

#### **Ha'apai**

New Beach Resort on Uoleva Island (50 rooms)  
Expand Resort at Billy's Place (15 rooms)  
Re-develop and Upgrade Niu'akalo Beach Hotel (30 rooms)  
New Divers Lodge at Sandy Beach Resort (15 rooms)  
New Beach Guesthouse in Pangai (10 rooms)  
New Beach Guesthouse, Ha'afeva Island, to service Tofua volcano attraction

#### **Retailing and Tours**

Shopping is an important component of tourism including items such as local arts and crafts. There is considerable scope for further development in the range and presentation of authentic, good quality items to visitors.

#### **Cultural activities**

Tonga's unique culture is a strong tourism attraction. Village tours, handicraft making and traditional ceremonies are examples of where effective joint venture partnerships between the local community and investors could be of mutual benefit. The Tongan National Centre provides a cultural experience for visitors. A small number of tour operators currently operate in Tonga. There is clear potential to extend existing (or develop new) tour products, including those catering to cruise-ship excursionists.

#### **Marine Product Development**

As an island nation, Tonga's coastal waters provide the potential for boating, yachting, game fishing and other water-based recreational pursuits. The opportunity exists in Vava'u to create a coastal development for water based recreational pursuits for both international tourists and the local community. There are also a number of marine activities with significant visitor appeal that could be further developed in other islands, including: cruiser boats for charter, sea kayaking, wind surfing, diving safaris, farm tours and cycling.

### **4. OPERATING ENVIRONMENT FOR TOURISM INVESTMENT**

#### **4.1 Investment Framework**

With the implementation of the draft Strategic Development Plan Number 7 (SDP7) in 1996, the Kingdom of Tonga expressed its commitment to attracting foreign investment in order to increase employment and exports. Foreign investments that are in the form of capital, contribute to technological advancement, increase employment, enhance labour skills and are focused on export industries of the tourism sector are favoured by the Government of Tonga. Foreign investors may form partnerships, incorporated companies, and branches of foreign companies in all sectors except road transport.

The tourism sector is highlighted for special policy investment consideration. SDP7 identifies three key themes to achieve its strategic objectives by 2025: restructuring for higher sustainable economic growth; ensuring financial stability; and, investing in Tonga's people. As part of its reform strategy the Government has already initiated changes to the relevant

legislation to provide incentives for the development of small and medium enterprises (SMEs).

The Ministry for Labour, Commerce and Industries (MLCI) is responsible for the administration of foreign investment policy. The Tonga Visitors Bureau (TVB) is a Department within that Ministry and it is advisable for potential investors in the tourism sector to seek initial advice from the Director of Tourism and his relevant staff at the TVB.

The Foreign Investment Act (2002) outlines the requirements under Tongan law for investment by foreign individuals and companies. This provides the Minister of Labour, Industry and Commerce with the power to regulate and monitor foreign investment in Tonga. Every foreign investment business in Tonga must obtain and hold a valid foreign investment registration certificate issued by the Secretary for Labour, Industry and Commerce.

The MLCI administers the Industrial Development Incentives Act (1978) which requires that a Development Licence be obtained for any industry or prime tourism facility. A Business Licence will also be required from their Licensing section. The Business Licences Act (2002) sets out the guidelines under Tongan law for obtaining a valid business licence. The MLCI maintains a Business Licence Register. The TVB administers the Tourist Act (1976) and is responsible for the issuing of tourist business licences and the enforcement of minimum standards for tourism business operations, particularly accommodation facilities and restaurants.

The criteria used for granting a Development License, with an incentives package, for a Tourism Project is based upon the Government Policy for encouraging the development of Tourism Prime Facilities. Tourism Prime Facilities include the construction of hotels, resorts, motels, guesthouses and apartments used as commercial accommodation. Normally, a minimum of four rooms is required for such a development project. The incentives can also apply to the purchasing of boats, yachts, cruising vessels and vehicles for tour operations. Sporting activities, recreation and sightseeing facilities are also considered.

Income tax for resident companies is 15% on the first \$100,000 of assessable income and 30% of income above this figure. For non-resident companies, the first \$50,000 of assessable income is taxed at 37.5% and any amount over that at 42.5%. Deductions are allowed for all expenses incurred in the acquiring of income and for depreciation of income-generating assets at specified rates. The budget strategy for financial year 2004 and beyond is to contain the tax burden on the private sector. A new tax policy under discussion, and scheduled for implementation in financial year 2005, involves a change in corporate tax rates to a flat 20% for both resident and non-resident companies. At the same time in an effort to shift the tax mix from import duties to a broad-based consumption tax, the threshold for income tax will be raised and a single 10% duty rate will be introduced covering most import items.

All land belongs to either the government, the King or noble estate-holders. Land cannot be alienated but it can be leased. The government provides areas designated for small industry sectors and will help negotiate leasing of private lands between foreign investors and locals. Land can be obtained from government and the nobles on a long-term lease ranging from 25- 75 years. Land rental is relatively low and negotiable with individual landowners. Rental terms are negotiable every 5 years.

#### **4.2 Incentives Regime**

For approved industrial and prime tourist enterprises a range of incentives are offered:

- **Tax holidays** of up to 15 years;
- **Customs duties exemption** for capital goods imported by an approved enterprise;
- **Port and Service tax** concessions;
- **Personal Effects** imported tax-free;
- **Capital remittance and repatriation of funds;**
- **Protection from competition** for specified periods;
- **Residential and work visas** for foreign investors and their families;
- **Priority** for electricity, telephone and water connections; and
- **Technical and promotional assistance** from the MLCI to help prospective investors identify, evaluate and set up industries.

#### **4.3 Access to Finance**

The banking system in Tonga consists of the National Reserve Bank of Tonga, three commercial banks and the Tonga Development Bank. The Reserve Bank regulates the issue of currency, manages the country's foreign reserves, administers government's monetary policy of financial stability and overall economic development. It also provides an advisory service to government on banking and monetary matters, acts as the principal banker and fiscal agent of government and undertakes the licensing and supervision of financial institutions.

The three commercial banks; ANZ Bank, Westpac Bank of Tonga and the MBF Bank are full-service commercial banks offering most services provided by international savings and trading banks. Businesses controlled by foreign investors may, without restriction from the Reserve Bank, obtain finance from the commercial banks within Tonga or the Development Bank or both.

The Tonga Development Bank has identified tourism as an ongoing activity for lending purposes. The commercial banks also provide finance for hotel and resort developments as well as other recreational activities to meet the demands of tourists.

There are no set requirements or restrictions on foreign investors raising finance locally. Basically the policy adopted by the banks is quite flexible in that each case is treated on its merits. The following considerations are important in assessing financing applications from foreign and local investors: the interest rate on loans at the commercial banks is currently around 12% p.a; rates at the Development Bank range between 10% and 12% p.a. for larger commercial projects.

#### **International Financial Institutions**

Tonga is a signatory to the Cotonou Agreement has access to the facilities of the European Investment Bank (EIB). As a member of the World Bank, the facilities of the International Finance Corporation (IFC) would be available for projects in this country.

## APPEDIX ONE: INVENTORY OF TOURISM ACCOMMODATION ENTERPRISES

<b>Accommodation</b>	
	<b>Hotels</b>
<b><i>Tongatapu</i></b>	
Pacific Royale Hotel; Janfull International Dateline Hotel; Hotel Nuku'alofa; Friendly Islander Hotel	
<b><i>Vava'u Group</i></b>	
Paradise International Hotel	
	<b>Resorts and Motels</b>
<b><i>Tongatapu</i></b>	
'Otuhaka Beach Resort; Keleti Beach Resort; Ha'atafu Beach Resort; Harbourview Motel; Good Samaritan Inn	
<b><i>Vava'u Group</i></b>	
Twin View Motel; Tongan Beach Resort; Puataukanave Motel; Marcella Resort	
<b><i>Ha'apai Group</i></b>	
Hideaway Resort; Sandy Beach Resort; Billy's Place	
<b><i>Niuatoputapu</i></b>	
Palm Tree Island Resort	
	<b>Apartments</b>
<b><i>Tongatapu</i></b>	
Captain Cook Apartments; Helen's Apartment; Lagoon Lodge; Leilani's Apartments; Lovey's Apartments; Sokopeti's Bungalows; Nukuma'anu Apartments; Uta ki sia Apartments	
<b><i>Vava'u Group</i></b>	
Harbourside Apartments; Hakula Lodge; Bayview Apartments	
	<b>Offshore Resort</b>
<b><i>Tongatapu</i></b>	
Royal Sunset Resort; Pangaimotu Beach Resort; Fafa Island Resort	
<b><i>Vava'u Group</i></b>	
Polynesian Village Resort; Mounu Island Resort; Ikalahi International Gamefishing Lodge; Blue Lagoon Resort	
<b><i>Ha'apai Group</i></b>	
'Esi 'o Ma'afu Homestay; Diana Beach Resort; Captain Cook Beach Resort	
	<b>Guest Houses &amp; Lodge</b>
<b><i>Tongatapu</i></b>	
Green Lodge; Fua'amotu Transit Lodge; 'Eva Mai Guest House; Diver's Lodge; Blue Banana Guest House; Nawai Ali'i Beach Resort; Misa's Guest House; Moana Beach House; Heilala Holiday Lodge;	
Toni's Guest House; Tom's Guest House; The Backpackers Place; Sela's Guest House; Seaview Lodge; Winnie's Guest House; Villa McKenzie; Tu'avao Guest House; Nerima Lodge	
<b><i>Vava'u Group</i></b>	
Vava'u Guest House; Port-Wine Guest House; Hilltop Guest House; Adventure Backpackers	
<b><i>Ha'apai Group</i></b>	
Meletonga Guest House Lindsay Guest House Fonongava'inga Guest House Fifita Guest House 'Evaloni Guest House	
<b><i>'Eua Island</i></b>	
Taina's Guest House; Susan Guest House; Highlight Guest House	
<b><i>Niuatoputapu</i></b>	
Kalolaine's Guest House	
	<b>Restaurants</b>
<b><i>Tongatapu</i></b>	
Akiko Restaurant; Angela Restaurant; Billfish Bar & Grill Café Escape; Coceo Deli's Coffee Shop;	
Davina's Restaurant; Emerald Restaurant; Fakalato Chinese Restaurant; First Ray Restaurant & Bar;	

Friends Café; Fung Shing Restaurant; Golden Star Restaurant; Good Samaritan Inn; Hua Hua Restaurant;
Joboy Steak House; Restaurant Kahana Beach Resort; Kimiko Restaurant; La Terrazza; Lily's Restaurant;
Little Tokyo Restaurant; Lunar Rossa Restaurant; Masala Indian Restaurant;
Pizzeria Little Italy; Seaview Restaurant; Sulliana's Restaurant Tasty Café
<b>Ha'apai Group</b>
Mariner's Bar & Café
<b>Vava'u Group</b>
'Ana Waterfront Bar; Bounty Bar & Café; Dancing Rooster Restaurant; Ciao Café; Jagr's Cafe (Ifoifo Bar);
La Paille Restaurant; Mermaid Restaurant ; Puatalefusi Restaurant ; The Banacles Beach
<b>Land Tour Operator</b>
<b>Tongatapu</b>
Friend's Tour; Kesi's Tour; Paea Tours; Quick Tours ; Teta Tours
<b>Inbound Tours Operator</b>
<b>Tongatapu</b>
Alisei (Paradisland) Holiday Marketing; Moko Travel; Teta Tours; EMJones; Asian Tours Operators
<b>Vava'u Group</b>
Moore Communication
<b>Marine - Based Activities</b>
<b>Tongatapu</b>
Deep Blue Diving 1
<b>'Eua Island</b>
Deep Blue Diving 2
<b>Ha'apai Group</b>
Happy Ha'apai Divers
<b>Vava'u Group</b>
Dolphin Pacific Diving Friendly Island Kayak Co. Marcella Resort (Whale Watch) Hakula Gamefishing
Melinda Sea Adventure Whale Watching Vava'u Sailing Safaris Vava'u Gamefishing Charters Target One
Blue Lagoon Resort
<b>Diving Operator</b>
<b>Tongatapu</b>
Deep Blue Diving 1
<b>Vava'u Group</b>
Beluga Diving Dolphin; Pacific Diving
<b>Ha'apai Group</b>
Happy Ha'apai Divers
<b>Game Fishing Operator</b>
<b>Tongatapu</b>
Precision Charters
<b>Vava'u Group</b>
Vava'u Gamefishing; Charters Hakula Gamefishing; Ikalahi Gamefishing; Ikapuna Gamefishing
Target One Gamefishing
<b>Ha'apai Group</b>
Ha'apai Watersports
<b>Boat or Sailing Charters (Overnight ie Accommodation)</b>
<b>Vava'u Group</b>
Melinda Sea Adventure; Sailing Safaris; Sunsail Tonga Ltd; The Moorings (Tonga) Ltd
<b>Boat Tour (Day trip Only)</b>
<b>Tongatapu</b>
Precision Charters

Sea Taxi

***Vava'u Group***

Orion Charter's ; Jakaranda Sails ; Lopaukamea Boat Tour ; Ricky Tours; Niva's Boat Tour ; Semisi Tour

***Kayaking***

***Vava'u Group***

Friendly Island Kayak Co.

***Rentals Operators***

Avis Rental ; Fab Rentals ; EM Jones Rentals

***Handicraft / Souvinnir Shop Operator***

***Tongatapu***

FIMCO; Langafonua 'a Fafine Handicraft; Moana's Gift Shop; Catholic's Women Handicraft Centre; Blue Banana Smart Look; Loseli Art & Craft; Ancient Capital Center; Miki's Curio; Rosey Gift House

***Vava'u Group***

The Ark Gallery; Angela Handicraft; Vava'u Handicraft; Humi's Handicraft; Langafonua 'a Fafine Handicraft; Vava'u Starlight Souvenir; First & Last Handicraft; D.M. Guttenbeil; Gift Shop

***Others***

***Vava'u***

Coconet Café

## APPENDIX TWO: INTERNET RESOURCES ON TONGA

### **Tonga Visitors Bureau**

*Address:* P. O. Box 37, Nuku'alofa, Kingdom of Tonga

*Tel:* (676) 25 334

*Fax:* (676) 23 507

*Email:* [tvb@kalianet.to](mailto:tvb@kalianet.to)

*Website:* [www.tongaholiday.com](http://www.tongaholiday.com)

### **Investment consideration**

<http://www.spto.org/invest/tonga.shtml>

<http://www.pmo.gov.to>

### **Financial infrastructure**

[http://www.usaid.gov/country/cbrief.cfm?DCon=8494\\_3966\\_5283\\_4961\\_7927&CountryId=19](http://www.usaid.gov/country/cbrief.cfm?DCon=8494_3966_5283_4961_7927&CountryId=19)

[http://www.dfat.gov.au/geo/tonga/tonga\\_brief.html#economic\\_overview](http://www.dfat.gov.au/geo/tonga/tonga_brief.html#economic_overview)

<http://www.forumsec.org.fj/docs/IG/P15.htm>

### **Law**

<http://www.law.cornell.edu/world/australasia.html#niue>

### **Tourism statistics (1999)**

[http://www.tcsp.com/private/stats/stats\\_summ99.pdf](http://www.tcsp.com/private/stats/stats_summ99.pdf)

### **Economic performance (2001)**

[http://www.adb.org/Documents/Reports/Annual\\_Report/2001/ton.asp](http://www.adb.org/Documents/Reports/Annual_Report/2001/ton.asp)

### **Country Strategy and Program Update 2003-2005 for development**

<http://www.adb.org/Documents/CSPs/TON/2002/default.asp?p=cryton>

### **Key Indicators of Developing Asian and Pacific countries : Tonga (2003)**

[http://www.adb.org/Documents/Books/Key\\_Indicators/2003/pdf/TON.pdf](http://www.adb.org/Documents/Books/Key_Indicators/2003/pdf/TON.pdf)

### **National Institutions, General Information, Political Information, Information from Encyclopaedias, Tourist Information, Information on Human Rights, Other Information (2001)**

<http://www.gksoft.com/govt/en/to.html>

### **Project profiles**

[http://www.adb.org/documents/books/MDG\\_Pacific/mdg.pdf#page=45](http://www.adb.org/documents/books/MDG_Pacific/mdg.pdf#page=45)

<http://www.adb.org/Documents/Profiles/ctry.asp?ctry=37>

### **General information, tourism profile, (March 2003)**

<http://www.forumsec.org.fj/docs/IG/Tourism%20Guide%20Sydney.pdf>

[http://www.adb.org/Documents/Books/Business\\_Reference\\_Guides/BIG/ton.pdf](http://www.adb.org/Documents/Books/Business_Reference_Guides/BIG/ton.pdf)

### **Geography, People, Government, Economy, (November 2003)**

<http://www.state.gov/r/pa/ei/bgn/16092.htm>

### **Communications Policy Statement**

<http://www.pmo.gov.to/DeptCom.policystatement.htm>

**Foreign Investment Regime, Regulatory framework:**

<http://www.forumsec.org.fj/docs/IG/P15.htm>

**Tourism attractions, tourism accommodation**

<http://www.pacific-travel-guides.com/tonga-islands/>

<http://www.spto.org/sitemap.shtml>

<http://www.tcsp.com/destinations/tonga/index.shtml>

**General information**

<http://www.tongatapu.net.to/index.html>

<http://www.tongaonline.com/>

<http://www.adminet.com/world/to/>