

FY26 Work Plan - May 2025 to April 2026: Tonga - MID-YEAR UPDATE as at Oct 31, 2025

TA Area	Objective	Country	Outcome Targeted	Activity	May 2025 - April 2026 (in person-days)			Mid-Year Update at Oct 30, 2025 (in person-days)			Number of Missions/ Activities	% Delivery	Delivery Status	Modality	Milestones	Comments	Planned Date	Experts		
					PFTAC resident advisors	ST experts	Total	PFTAC resident advisors	ST experts	Total										
Public Financial Management	Improved budget execution and control	Tonga	Budget execution monitoring and controls are strengthened	Strengthen Medium Term Fiscal Framework (MTFF)	-	36	36	1	23	34	57	1	0%	Dec 3 - 15, 2025	In-country	MTFF submitted to authorities.		Feb 3 - 16, 2026	O'Grady/ Tandberg/STX Cooke/ HQX- Quevraine	
Financial Sector Supervision	Develop/strengthen banking regulations and supervision frameworks	Tonga	Institutional structure and operational procedures for RBS enhanced/developed.	Review of Prudential Standards for Banks-Audit Arrangements and Fit and Proper Policies	9	-	9	1	10	16	26	1	0%	Feb 4 - 13, 2026	In-country	NRBT issues the relevant regulations for banks.		Feb 2 - 12, 2026	Arango/ STX	
Government Finance Statistics	Strengthen compilation and dissemination of fiscal statistics	Tonga	A new data set has been compiled and disseminated internally and/or to the public	Compilation of GFS for GG operations - Improving process for compilation of GFS	12	-	12	1	-	12	12	1	100%	Aug 11 - 22, 2025	In-country	1. A full set of GFS tables for the budgetary subsector of the general government is compiled by the statistical authorities and disseminated at least on an annual basis. 2. A full set of GFS tables for the extrabudgetary and social security fund (if relevant) subsectors of the general government is compiled by the statistical authorities and disseminated on an annual basis. 3. A full set of GFS tables for the public corporations sector is compiled by the statistical authorities and disseminated on an annual basis. 4. Data on transactions (or stocks) excluded from the scope of the primary data sources, such as transactions in-kind (or financial liabilities other than government loans), are collected from supplementary sources. 5. Metadata (or detailed notes, communication from suppliers or similar) are available to identify instances where the conceptual adjustments to the values are required to bridge the source data to the GFSM 2014 framework. 6. Source data coverage (from one or multiple complimentary sources) enables to compile GFS for each sector and subsector consistently with the institutional unit classification, as determined under the GFSM 2014 framework. 7. The data sources for the budgetary subsector of central government enable the precise mapping of economic flows and stocks to the GFSM 2014 taxonomy, with only isolated exceptions. 8. The mapping of the source data to the GFSM 2014 taxonomy is reviewed by the statistical authorities at least on an annual basis, to ensure it continues to meet the needs of GFS statistics and new activities are recorded under the appropriate categories.		Oct 13 - 24, 2025	McDonagh/ De La Beer	
			Source data are adequate for the compilation of these macroeconomic statistics																	
			Methodological basis for the statistics follows internationally accepted standards, guidelines or good practices																	
Real Sector Statistics	Strengthen compilation and dissemination of real sector statistics-national accounts	Tonga	A new data set has been compiled and disseminated internally and/or to the public.	Updating GDP	3	17	20	1	-	19	19	1	100%	Jul 15 - 28, 2025	In-person	Compile 2023/24 GDP estimates		Jul 23 - 25, 2025/ Jul 15 - 28, 2025	Germann/ McAllister	
Revenue Administration	Strengthened revenue administration management and governance arrangements	Tonga	Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	International Tax	-	17	17	1	-	-	-	-	0%	Rescheduled		International tax risks identified; work plan developed and implemented.		Jun 23 - Jul 4, 2025	Velji	
	Strengthened core tax administration functions		Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen Audit Capability	-	12	12	1	-	20	20	1	100%	Jul 7 - 24, 2025	In-country	Number of audits finalized with tangible discrepancies increased.		Jul 8 - 27, 2025	Velji	
			Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen Audit Capability (2)	-	10	10	1	-	1	1	1	100%	Oct 6 - 15, 2025	Remote	Number of audits finalized with tangible discrepancies increased.	Back to back with international tax	Jul 28 - Aug 1, 2025	Velji	
			Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen Audit Capability (3)	-	-	-	-	-	3	3		0%	Nov 20 - Dec 12, 2025	Remote				Velji	
			Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen Audit Capability (4)	-	-	-	-	-	17	17	1	0%	Feb 16 - 25, 2026	In-country				Velji	
Macroeconomic Frameworks	Develop capacity in macroeconomic forecasting and policy analysis to support policy decision making and communications	Tonga	Improved analytical skills, and better macroeconomic forecasting and policy analysis capacity	Macroeconomic Frameworks	-	-	-	-	12	-	12	1	0%	Apr 27 - May 8, 2026	In-country		Lead by HQ - concluding mission with a handover to PFTAC		Karapetyan	
Debt Management	Formulate and implement a medium-term debt management strategy (MTDS)	Tonga	MTDS developed, documented and published	Medium-Term Debt Management Strategy Development and Implementation	12	17	29	1	-	-	-	-	0%	Rescheduled		1. Staff trained in MTDS AT and framework 2. Staff shows competence through presentations, discussions or practical exercises on debt management strategy formulation and implementation		Jan 12 - 23, 2026	Vilanova/ STX	
	Develop market infrastructure and capacity for cost effective financing		An effective primary market, with market-based issuances	Local currency bond market development Diagnostic Mission	12	34	46	1	12	38	50	1	0%	Feb 9 - 20, 2026	In-country	1. Develop a roadmap based on the LCBM assessment 2. A reform plan is formulated to develop the local currency bond market over the long term		Nov 17 - 28, 2025	Vilanova/ Katz/ Northfield Jr.	
					TOTAL	48	143	191	9											

Updated Mid-FY26 Workplan:  
Delivered by Oct 31:  
Percentage of Revised Plan:

57	160	217	9
0	52	52	4
0%	33%	24%	44%