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TONGA

STATISTICS DEPARTMENT

**BALANCE OF
PAYMENT**

**Annual Report
2009/10**

June 2011

Preface

This bulletin presents the Tonga Balance of Payments statistics for the year 2009-10.

An introductory note explains the balance of payments statements and the sources of data. It is followed by technical notes on the scope and methodology of the statistics. A short analysis and graphs of selected items are also included.

I wish to thank all organizations both in Government and in the Private sector, which have supplied basic data, and in particular, the Overseas Exchange Transactions Divisions of the Commercial banks and the National Reserve Bank of Tonga. Special mention must be made of the hard work and devotion of the staff members of Balance of Payments Division in the compilation of this report.

The Department would welcome any comments and suggestions to improve the contents, coverage and the quality of the statistics published in this report.

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Symbols and Abbreviations used

The following symbols and abbreviations are used throughout the bulletin.

-	Nil
...	Not available
<i>R</i>	revised
T\$	Tongan pa'anga
000	thousand
f.o.b	free on board in the exporting country
n.i.e.	not identified elsewhere
TBOP	Tonga Balance of Payments
OET	Overseas Exchange Transaction

PART 1 : Introduction and Technical Notes

I Introduction

Confidentiality of Information

The TBOP published in a form that prevents any particular item from being identifiable as relating to any particular organization or person, apart of course for items from already – published sources. Based on these considerations, the release of some information in detailed form is restricted to the standard form shown in the tables.

II Technical Notes

Balance of Payments statements in this publication record economic transactions between Tonga and the rest of the world (or in other words, transactions of residents of Tonga with non residents). They show the value of goods, services, income, transfers and changes in Tonga's claims on the liabilities with foreigners.

International TBOP is based on principles set out in the “Balance of Payments Manual” published by the Monetary Fund¹

Sources of information

The statistics presented are from many sources. The major ones are:

Statistics on international trade compiled by the Statistics Department from custom entries completed for all goods exported or imported across the Tonga frontier.

Monthly overseas exchange transaction records prepared by all commercial banks in Tonga and the National Reserve Bank of Tonga. These records show all transactions made with the overseas countries through the banking system.

The monthly returns of Tonga Government agencies located overseas.

Geographic Area

The geographic areas covered by TBOP include all island groups of Tongatapu, Vava'u, Ha'apai, 'Eua and the Niuas.

¹*Balance of Payments Manual, Fifth Edition, 1993 refers*

Accounting System

A double entry is used to prepare the TBOP, that every transaction results in a pair of equal credit and debit entries. Any entries, which are not automatically paired, such as grants and gifts, are deliberately furnished with special offsetting entries. The sum of all credit entries in the statement is thus in principle numerically equal to the sum of all the debit entries, with any inequality that may arise being attributable to net statistical errors and omissions.

Residence

The concept of residence used in TBOP includes the general government, all individuals, private non-profit bodies serving as public and private individual enterprises, and mobile equipment located or operating within the territory of Tonga.

The general Government of Tonga includes Tongan Embassies, Consulates and other entities of general government located abroad. Embassies and consulate representatives of foreign governments located in Tonga are not considered as Tongan residents.

The concept of residence adopted for individuals includes all persons who may be expected to consume goods and services, participate in the production of goods and services or engage in economic activities in Tonga.

The resident individuals in Tonga are considered to comprise all persons living within the territory of Tonga for at least one year. Thus tourists, crew members of vessels or aircrafts engaged in international trade, commercial travelers and employees of non-resident enterprise (except students and diplomats) who come to Tonga for less than one year and vice versa are non-residents. Employees of foreign governments and international bodies, such as diplomatic and consulate representatives and other foreign government personnel are treated as non-residents. Tongan citizens who are employed by foreign embassies and reside in Tonga are regarded as Tongan residents employed by foreigners. Tongan resident enterprises are actual or national units engaged in:

- i. Production of goods and services in Tonga.
- ii. Transactions in land located within the territory of Tonga.
- iii. Transactions in leases, rights, concessions, patents, copyrights, and similar non-financial intangible assets issued by the Tongan Government.

Valuation

Balance of Payments accounts are valued at market prices, a valuation system common to that used by the National Accounting Convention.

Market price is defined as the amount of money that a willing buyer pays to acquire

something from a willing seller in a commercial transaction.

One important category of transaction worth mentioning is the one sided transactions. In such transactions, one party provides nothing on which an economic value is placed in return for a real or financial asset received from the other party. An example is the provision of capital equipment received by the Government of Tonga or the private sector, from a donor country under bilateral aid programmes (eg New Zealand, Australia etc). The value of such equipment appears in the TBOP as an import and the value of freight under transportation. The value placed on this type of transaction is the cost to the donor country of the goods provided or services involved. In the example the value entered in the TBOP would be the cost of acquiring the commodity and placing it on board a ship and the freight cost of that said commodity by the donor country.

The counter entry to this type of transaction appears in the item transfers the same value as the original transaction.

Taxes, duties, subsidies, rebates, discounts, and the like are a form of the incidental cost that maybe included in a transaction and taken into account in establishing its market value. Alternatively they may be regarded as a separate transaction. The IMF recommended that the incidental costs of the kind mentioned above, be included in the original transaction in order to maintain a uniform system of valuation and TBOP follows this recommendation.

Time of recording

To achieve simultaneous recording of the two entries for a given transaction in the double-entry system of balance of payments, rules must be adopted governing the time at which a transaction is deemed to have taken place. It should be noted that, in practice, the two entries representing a transaction are often derived independently from separate sources of data, for which the principle of timing used could be different. The time of legal change of ownership of the various assets provided under a contract is generally considered to be the most relevant.

Unit Account

Data on the values of transactions in real resources and financial instruments from which TBOP is compiled are expressed in a variety of currencies. In order to compile TBOP statements, these data must be converted to a common currency or unit of account.

Since Balance of payments statements need to be comparable with the other economic statistics of the nation, this indicates using the national currency as the unit of account. Thus Tonga uses the Tongan pa'anga (dollar) as the unit of account.

Measure of Balance

As previously noted balances shown by selected combinations of balance of payments accounts are of considerable interest to analysts and government officials.

A term widely used in analyzing balance of payments statements is the term 'balance'. A balance is calculated by adding the credit entries, for selected components and subtraction of the debit entries, for the same components. For example, the balance of services is the sum of all credit entries, minus all debit entries, for those components in the statement, which represent transaction in services.

A balance, which shows a net credit, is termed a 'surplus' and one showing a net debit is termed a 'deficit'.

In the analytical presentation, components are arranged in a column. Components that comprise an analytic category are grouped together. Thus it is possible to obtain a balance by drawing a horizontal line after the last component of an analytical category and summing all the components above the line, hence the expressions 'above the line' and 'below the line'.

There are two major balances in the Tonga analytical presentation. The first is the balance of current account. The current account items (above the line) include the components of goods, services, income and current transfers while the components of capital transfers and financial claims and liabilities comprise the Capital and Financial account (below the line). The balance on current account measures the net flow of real resources between Tonga and the rest of the world (above the line) with the flow of financial instruments between Tonga and the rest of the world being below the line. The items below the line include components of movements in capital transfers, reserve assets and official borrowing.

Statistical discrepancies or errors and omissions

Compiling TBOP presents some difficult problems and errors and omissions normally occur in two major areas, namely (i) coverage and (ii) valuation.

(i) **Coverage:** Despite attempts to gather data on all items, some international transaction are not reported. One category of transaction that probably is often substantially under-reported is purchases and sales of short-term financial claims. It is widely believed that unreported movements of short-term capital contribute a great deal to total errors and omissions. In addition, there has been no attempt to collect complete data on certain other transactions, which are estimated by balance of payments statisticians. The sample observations, on which estimates are based, are sometimes of doubtful reliability, and even the best sampling and estimating techniques will not prevent errors of estimation.

(ii) **Valuation:** Although imports documents may state a precise value for a particular commodity, a different amount may eventually be paid to the exporter. These types of discrepancy can arise for a number of reasons, ranging from default by the importer to incorrect valuation of the merchandise on the import documents.

Because of problems of coverage and valuation, total recorded debits do not equal total recorded credits in the actual balance of payments accounts in any year.

To accommodate such discrepancies, a residual account, statistical discrepancy, is created. An excess of credits in all other accounts is offset by an equivalent debit to this account, or an excess of debits in other accounts is offset by an equivalent credit to this account. The statistical discrepancy account thus serves at least two purposes; it gives the balance of payments analyst an indication of the net error in the balance of payments data, and further it provides a means of satisfying the requirement of double entry book keeping that the total debits must equal total credits.

III Components of the analytic presentation of the Tonga Balance Of Payments (TBOP)

Exports/Imports

Details of the composition of Tonga's trade (derived from customs data) can be found in the reports of Foreign Trade Statistics. However, some goods are believed to pass the Tongan frontier without customs entry and the TBOP makes adjustments to cover unrecorded imports or exports.

Foreign Trade statistics values imports c.i.f. (cost, insurance and freight) while in balance of payments statistics imports are valued at f.o.b. (free on board) in their country of export. For balance of payments purposes, an estimate is made of the cost of insurance and the freight components of imports, (c.i.f.) to place these data on an f.o.b. basis. This adjustment comprises most of the negative entry in the debit column. The counterpart to the adjustment are made under transportation and insurance services.

Services

Items included under services comprise all transactions on transport, insurance, travel, communication, financial, computers and information, royalties and license fees, other business services, personal and government services not included elsewhere. The largest component is travel, mainly comprising "tourist" expenditure in Tonga.

Transport

Transport includes freight and other distribution services in connection with merchandise.

In addition various services are included under the heading “transport”, including services performed by carriers, principally for the carriage of passengers, which are not classified under the heading “travel”, together with goods and services acquired by carriers and consumed in their operations.

Travel

Travel covers primarily spending by travelers (tourist and business visitors) during visits of less than one year in that economy. The goods and services are purchased by, or on behalf of, the traveler or provided, without a quid pro quo, for international carriage of travelers, which is covered in passenger services under transport.

Other Services

Other Services includes all transactions in services not included elsewhere.

The main categories are:

Private Transactions

Communication services.

Construction services.

Insurance services.

Financial services.

Computer and information services.

Royalties and license fees.

Other business services including merchant and trade related services, operational leasing and miscellaneous business, professional and technical services.

Personal, cultural and recreational services

Government Transactions

Embassies and Consulates:

Wages and salary payments, representing labour income of local staff.

Personal expenditures by diplomatic and consular staff and their dependents in Tonga.

Other expenditures by diplomatic and consular staff for goods and services such as office supplies, furnishings, fuel, utilities, and rent or purchases or sales of embassy and other buildings, official cars, (including their operation and maintenance) and official entertainment.

Military Units and Agencies abroad:

These are treated in the same way as embassies and consulates.

Other official entities located abroad:

These entries cover offices of general government, which are not integrated with the embassy organization.

Other services provided to or obtained by government:

Included here are transactions of the type included in the private transactions listed above, but where one of the parties to the transaction is a government.

Income

Income covers income of non-residents from the financial assets invested in Tonga (debit) and income of Tongan residents from their financial assets invested abroad (credit). Sub-components of income are:

Compensation of employees

Investment income, including direct investment, portfolio investment, and

Other investment income

The OET data only records cash remittances. Reinvested profits of direct investment enterprises in Tonga are therefore currently excluded from the income component, although they should be included as a debit entry.

Current transfers

These are transfers undertaken without a quid pro quo (for instance, a donation, a remittance by an emigrant worker, or a country's contribution to an international organization).

Private current transfers include remittances, contributions and other current transfers.

Government current transfers include the counter entry from various foreign countries to Tonga government pension payments.

Balance on current account

The balance on current account is calculated as the difference between the sum of all debits and the sum of all credits representing merchandise trade, services, income and current transfers.

The Capital and Financial Account

The capital and financial account is divided into two main categories: the capital account and the financial account.

The capital account covers all transactions that involve the receipt or payment of capital transfers and acquisition/disposal of non-produced, non-financial capital. The financial account covers all transactions associated with changes of ownership in the foreign financial assets and liabilities of an economy. Such changes include the creation and liquidation of claims on, or by, the rest of the world.

In the financial account, therefore, increases in assets (and decreases in liabilities) are indicated with a minus sign, (debit entry) and decreases in assets (and increases in liabilities) are indicated with a plus sign (credit entry).

The financial account excluding reserves covers direct investment, portfolio investment, and other investment, which make up a long term and short-term investment.

The main data source for the Capital and Financial account is the Overseas Exchange Transactions (OET) record of all the commercial banks of Tonga and the National Reserve Bank of Tonga (NRBT), supplemented by data provided by Ministry of Finance.

Reserves

Reserves covers assets that are available for use by the central authorities either to finance payment imbalances directly or to manage the size of such imbalances by intervening to influence the exchange rate for the national currency.

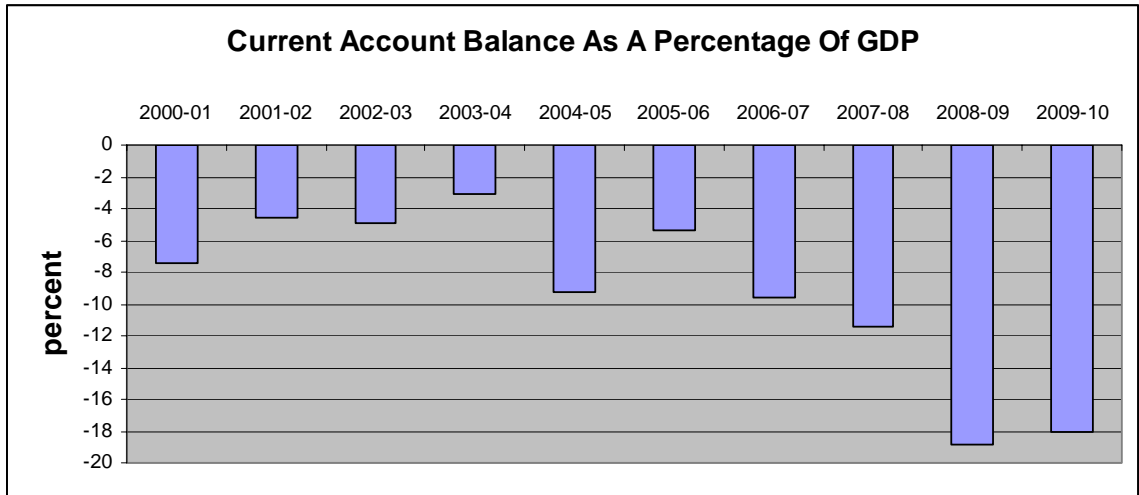
Prior to the formation of the NRBT the Bank of Tonga held foreign exchange assets, as agent of the Government of Tonga. Thus these overseas exchange assets are included in reserves.

Other foreign assets held by the authorities are also classified under the reserve category. Prior to the creation of the NRBT, these assets included securities held by the Treasury and other Government bodies, which are readily negotiable claims on foreigners. Since July 1989, the NRBT holds most of the Kingdom's external reserves.

PART 11 – Analysis and Graphs

Analysis

Figure 1



The current account deficit in 2009-10 was T\$120.9 million, following a deficit of T\$122.0 million in 2008-09.

For the year ended June 2009-10 the current account deficit was -18.0% of GDP compared with -18.8% of GDP for the year ended June 2008-09, and -11.4% for the year ended June 2007-08.

Figure 2



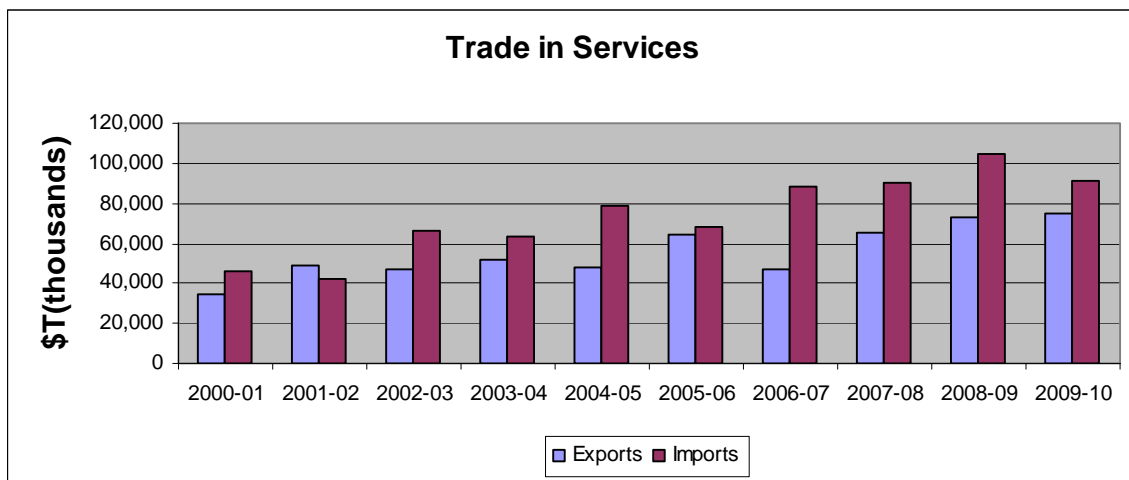
The goods balance was a deficit of \$T296.3 million in the fiscal year 2009-10, The deficit decreased by 2.8% from \$T288.2 million in 2008-09.

The foreign trade shows that overseas trade exports of goods decreased to T\$14.9 million while imports of goods increased to T\$311.2 million in 2009-10.

Exports of root vegetables fell by 62.3%, and squash pumpkins dropped by 74.8%. People have drawn back from growing squash pumpkins. Exports of paints and vanishes also decreased by 37.7% and ferrous metal and scraps of cast iron fell by 88.9% compared to their respective commodities which were exported in the previous fiscal year 2008-09.

Imports increased slightly by only 1.5% from the previous fiscal year. The imports of commodity groups photographic and medical instruments, and animal or vegetable fats and oils, increased by 35.1% and 34.7% respectively. A conceptual adjustment was made to capture goods imported regardless of whether items cross the frontier customs.

Figure 3



The balance on services was a deficit of T\$16.3 million compared to a deficit of T\$31.6 million in the previous fiscal year.

Exports of services were T\$75.3 million, an increase of 3.2% from T\$ 73.0 million in 2008-09. Travel services exports, which capture overseas tourist' spending while in Tonga, families spending while visiting Tonga for family reunions, church conferences and the heilala festival; showed a 9.6% increase from T\$36.7 million in 2008-09 to T\$40.2 million in 2009-10.

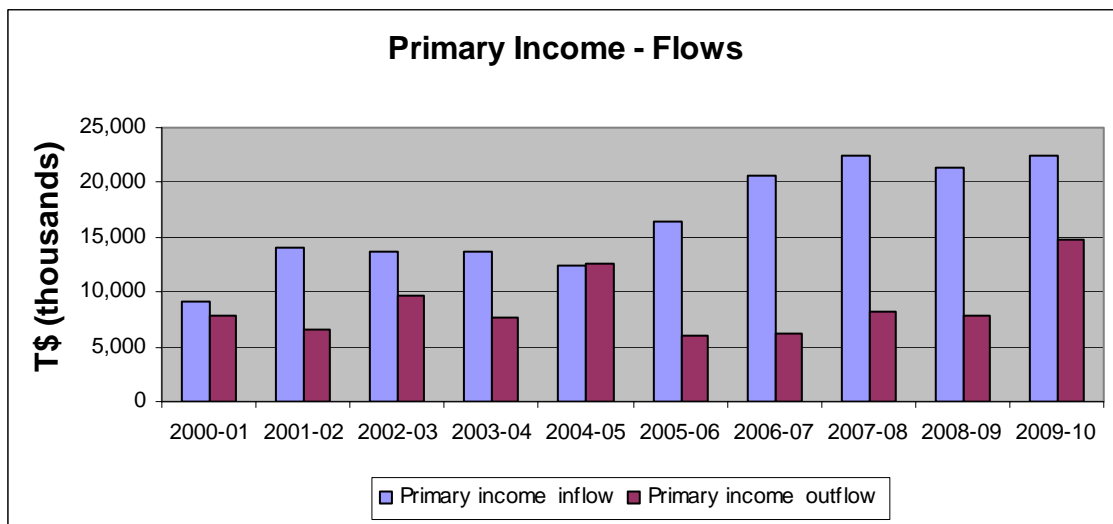
Telecommunication services increased from T\$1.8 million in 2008-09 to T\$1.9 million in 2009-10.

Imports of services were T\$91.7 million, a fall of 12.4% from T\$104.6 million in 2008-09. Transportation of services was the main contributor, falling from T\$50.1 million in 2008-09 to T\$45.4 million in 2009-10.

Travel services imports increased by 10.6% to T\$16.4 million in 2009-10.

Other business services and personal, cultural and recreational services also increased.

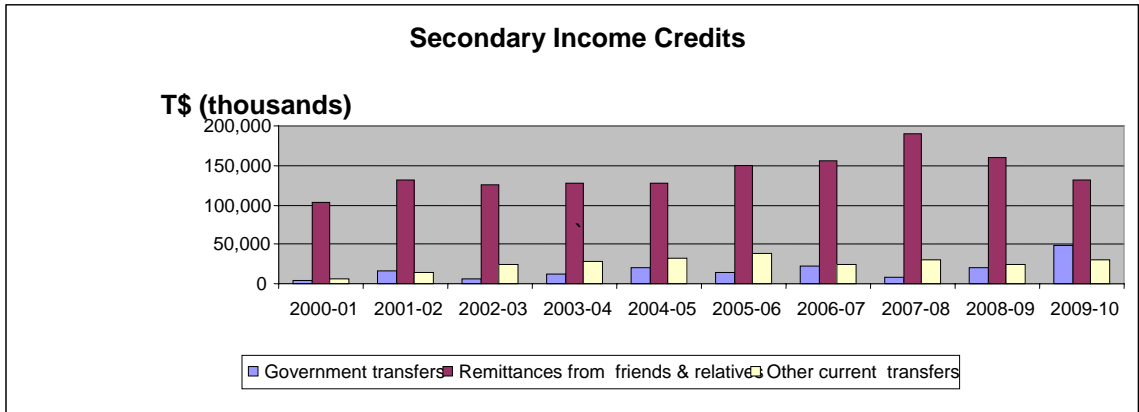
Figure 4



Investment income earned in Tonga increased by 5.3% from T\$21.3million in 2008-09 to T\$22.4 million in 2009-10. The increase was primarily driven by interest earned on loans (official) and other income receipts (private) which increased from T\$12.3 million in 2008-09 to T\$13.9 million in 2009-10.

Investment income sent abroad increased from T\$7.9 million to T\$14.7 million in 2009-10. This is driven by interest payments abroad and public debt principal repayments.

Figure 5

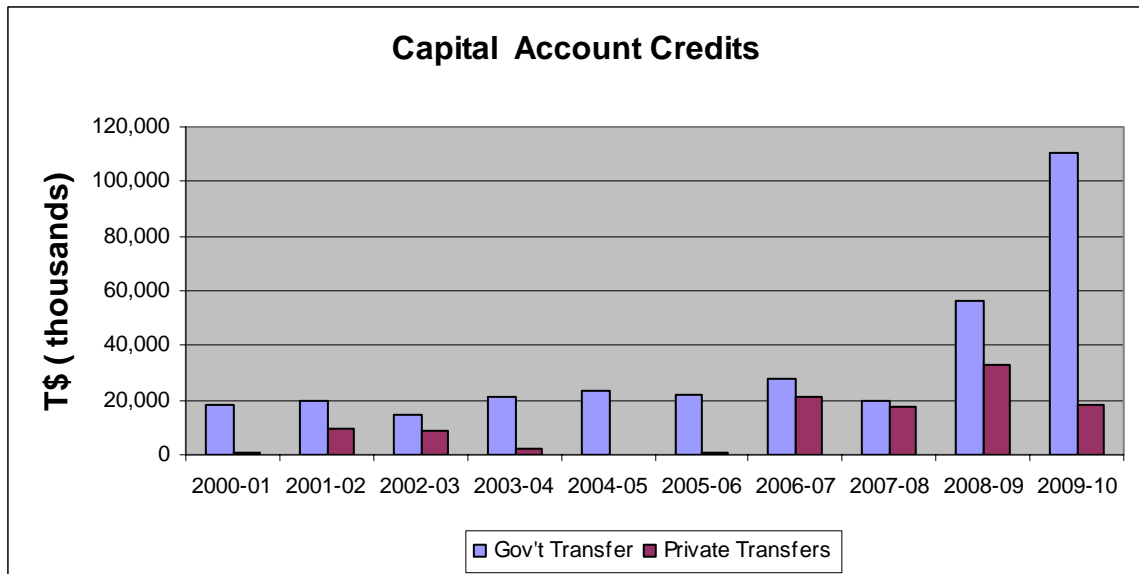


The balance on secondary income was a T\$184.1 million surplus. This is a slight decrease of 0.2% from T\$184.5 million in 2008-09.

General government transfers rose by more than double the amount of the previous fiscal year due to increased transfers from current international cooperation.

Current transfers received from friends and relatives overseas decreased by 17.4% from T\$160.0 million in 2008-09 to T\$132.2 in 2009-10. Current transfers to non-government organizations increased by 23.7% from T\$25.2 million in 2008-09 to T\$31.2 million in 2009-10 due to funds for reconstruction of new churches and transfers to societies.

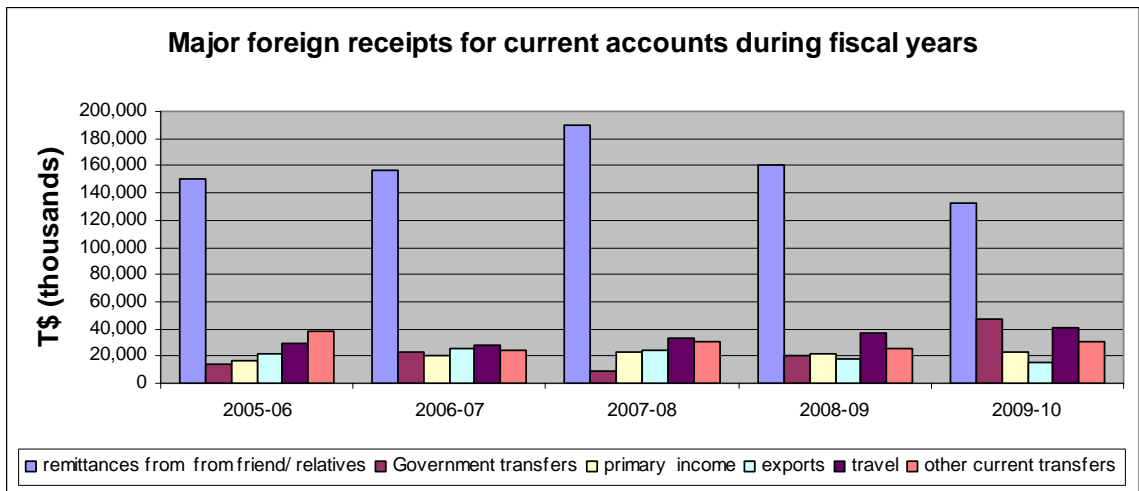
Figure 6



The capital transfers balance fell to T\$126.2 million in 2009-10, a decrease of 7.7% from T\$136.7 million in the previous fiscal year.

The inflows of capital transfers were T\$128.9 million mainly due to donor funding from overseas countries to general government to assist in reconstruction of Nuku'alofa central business district. Other capital transfers also recorded a decrease to T\$18.3 million in 2009-10, from T\$33.0 million in 2008-09.

Figure 7



The major foreign receipts for current account shows that remittances from friend and relatives made the highest contribution with T\$132.2 million in 2009-10 followed by general government transfers with T\$47.5 million, travel services of exports with T\$40.2 millions, other current transfers with T\$31.2 million, primary income with T\$22.4 and exports with T\$14.8 million.

When comparing to 2008-09, exports fell by 18.6%, remittances decreased by 17.4%, while general government transfers increased by double the amount of the previous fiscal years, other private transfers rose by 23.7%, travel was up by 9.6% and primary income increased by 5.3%.

Table a: BALANCE OF PAYMENTS RATIO

	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Exports f.o.b / Current account credits (Percent)	7.6%	9.6%	15.1%	14.6%	14.9%	7.1%	8.7%	7.1%	5.7%	5.2%
Imports f.o.b / Current account debits (Percent)	65.5%	67.6%	62.5%	64.8%	64.2%	68.6%	67.5%	69.4%	69.6%	70.0%
Goods and services credits / GDP (Percent)	13.5%	18.3%	19.4%	19.6%	18.0%	14.4%	12.0%	13.50%	14.0% (p)	13.4% (p)
Current account balance / GDP (Percent)	-7.4	-4.6	-4.9	-3.1	-9.3	-5.4	-9.6	-11.4	-18.8	-18.0
Reserve at end of period / imports of goods and services (Percent)	14.8%	17.9%	15.4%	34.9%	28.2%	27.9%	27.9%	23.5%	33.1%	42.3%

(P) : Provisional

PART III : Summary Tables

Table 1: Balance of Payments Statistics Summary, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009/10
Current Account										
<i>Balance on Goods and Services</i>	(126,454)	(148,698)	(152,927)	(164,431)	(200,985)	(212,851)	(254,810)	(289,696)	(319,873)	(312,639)
<i>Balance on Trade in Goods</i>	(115,254)	(155,907)	(134,626)	(147,137)	(169,979)	(209,016)	(213,643)	(264,358)	(288,217)	(296,321)
Exports f.o.b.	12,803	23,710	38,571	40,220	42,407	21,461	25,941	24,252	18,278	14,872
Imports f.o.b.	128,057	179,617	173,197	187,357	212,386	230,476	239,584	288,611	306,495	311,193
<i>Balance on Trade in Services</i>	(11,200)	7,210	(18,301)	(17,294)	(31,005)	(3,835)	(41,168)	(25,338)	(31,656)	(16,317)
Services credit	34,580	49,021	47,518	52,105	48,137	64,018	47,114	64,940	73,002	75,359
Services debit	45,780	41,811	65,819	69,399	79,143	67,853	88,282	90,278	104,657	91,677
<i>Balance on Primary Income</i>	1,321	7,411	4,063	6,117	(170)	10,399	14,377	14,256	13,358	7,634
Primary income credit	9,185	14,009	13,735	13,738	12,434	16,385	20,619	22,527	21,283	22,404
Primary income debit	7,863	6,598	9,672	7,621	12,604	5,986	6,243	8,271	7,925	14,770
<i>Balance on Goods, Services and Income</i>	(125,133)	(141,287)	(148,863)	(158,314)	(201,154)	(202,452)	(240,434)	(275,440)	(306,515)	(305,004)
<i>Balance on Secondary Income</i>	98,952	122,829	127,055	143,693	154,132	170,393	181,722	200,297	184,537	184,081
Secondary income credit	112,761	160,340	155,489	168,535	180,809	201,890	202,612	228,814	205,950	210,920
Secondary income debit	13,809	37,511	28,434	24,841	26,676	31,497	20,889	28,517	21,412	26,839
Balance on Current Account	(26,181)	(18,458)	(21,808)	(14,621)	(47,022)	(32,059)	(58,711)	(75,144)	(121,977)	(120,923)
<i>Balance on Current Account (excluding</i>	<i>(26,181)</i>	<i>(18,458)</i>	<i>(21,808)</i>	<i>(14,621)</i>	<i>(47,022)</i>	<i>(32,059)</i>	<i>(58,711)</i>	<i>(75,144)</i>	<i>(121,977)</i>	<i>(120,923)</i>
Capital Account										
Capital account credit	18,898	29,665	23,308	23,249	23,674	23,127	48,386	37,752	137,333	128,926
Capital account debit	1,460	3,875	993	676	110	800	8,343	6,254	629	2,755
Balance on Capital Account	17,438	25,790	22,316	22,574	23,564	22,327	40,043	31,498	136,704	126,170
Net Lending (+)/Borrowing (-) from C	(8,743)	7,332	508	7,953	(23,458)	(9,732)	(18,669)	(43,646)	14,727	5,247
Financial Account										
Financial Assets	(385)	13,758	(2,616)	52,782	(7,608)	1,105	8,389	(2,476)	15,988	18,923
Direct investment	-	-	-	-	-	-	-	-	-	-
Portfolio investment	-	-	-	-	-	-	-	-	-	-
Financial derivatives (other than reserve	-	-	-	-	-	-	-	-	(31,172)	(15,277)
Other investment	-	-	-	-	-	-	-	-	-	-
Reserve assets	(385)	13,758	(2,616)	52,782	(7,608)	1,105	8,389	(2,476)	47,160	34,200
Financial Liabilities	6,679	506	43	55,136	15,985	15,477	29,959	33,430	(32,638)	9,383
Direct investment	6,573	1,708	364	11,284	11,613	20,743	30,866	37,196	595	8,231
Portfolio investment	-	-	-	-	-	-	-	-	-	-
Financial derivatives and employee stock	-	-	-	-	-	-	-	-	-	-
Other investment	106	(1,202)	(320)	43,852	4,372	(5,267)	(907)	(3,766)	(33,233)	1,152
Net Lending (+)/Borrowing (-) from F	(7,064)	13,252	(2,659)	(2,354)	(23,593)	(14,372)	(21,570)	(35,906)	48,626	9,540
<i>Net errors and omissions</i>	<i>(1,679)</i>	<i>(5,920)</i>	<i>3,167</i>	<i>10,307</i>	<i>135</i>	<i>4,640</i>	<i>2,902</i>	<i>(7,740)</i>	<i>(33,900)</i>	<i>(2,417)</i>
<i>NE&O as percent of goods trade</i>	<i>-1.2%</i>	<i>-2.9%</i>	<i>1.5%</i>	<i>4.5%</i>	<i>0.1%</i>	<i>1.8%</i>	<i>1.1%</i>	<i>-2.5%</i>	<i>-10.4%</i>	<i>-0.8%</i>
Level of Official Reserves at end year	25,806	39,564	36,948	89,730	82,122	83,227	91,616	89,140	136,300	170,500

Table 2: Goods Account, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Balance on Trade in Goods</i>	(115,254)	(155,907)	(134,626)	(147,137)	(169,979)	(209,016)	(213,643)	(264,358)	(288,217)	296,321
Exports FOB	12,803	23,710	38,571	40,220	42,407	21,461	25,941	24,252	18,278	14,872
General merchandise	12,803	23,710	38,542	39,162	40,807	23,590	26,850	23,471	16,164	16,501
Net exports under merchanting	-	-	28	1,058	1,600	(2,129)	(909)	781	2,114	(1,629)
Goods acquired under merchanting	-	-	-	(658)	(501)	(3,644)	(1,387)	(365)	(1,239)	(2,706)
Goods sold under merchanting	-	-	28	1,716	2,101	1,515	478	1,146	3,353	1,077
Nonmonetary gold	-	-	-	-	-	-	-	-	-	-
Imports FOB	128,057	179,617	173,197	187,357	212,386	230,476	239,584	288,611	306,495	311,193
General merchandise	128,057	179,617	173,197	187,357	212,386	230,476	239,584	288,611	306,495	311,193
Nonmonetary gold	-	-	-	-	-	-	-	-	-	-
<i>Of which:</i>										
<i>Classification adjustment (c.i.f.f.o.)</i>	(8,160)	(11,420)	(11,048)	(11,948)	(13,482)	(13,971)	(15,097)	(18,421)	(19,559)	(17,292)
<i>Coverage adjustments</i>	-	-	-	-	1,149	11,590	3,062	-	-	39,935
<i>Valuation adjustments</i>	218	306	118	165	22	2	2	14	73	348
<i>Timing adjustments</i>	-	-	-	-	-	-	-	-	-	-

Table 3: Services Account, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Balance on Trade in Services	<i>(11,200)</i>	7,210	<i>(18,301)</i>	<i>(17,294)</i>	<i>(31,005)</i>	<i>(3,835)</i>	<i>(41,168)</i>	<i>(25,338)</i>	<i>(31,656)</i>	<i>(16,317)</i>
Services Credit	34,580	49,021	47,518	52,105	48,137	64,018	47,114	64,940	73,002	75,359
Manufacturing services on physical	-	-	-	-	-	-	-	-	-	-
Maintenance and repair services n.i	-	-	-	-	-	-	-	-	-	-
Transport	5,247	16,810	5,943	4,948	4,979	5,718	6,104	9,416	9,437	13,249
Sea transport	5,153	15,580	3,441	2,062	1,903	2,755	2,364	2,630	2,696	2,717
Air transport	-	1,134	2,349	2,770	3,013	2,897	3,721	6,750	6,723	10,513
Other modes of transport	-	-	-	-	-	-	-	-	-	-
<i>Of which:</i>										
<i>Passenger</i>	-	-	6	543	-	223	757	893	1,058	3,240
<i>Freight</i>	-	-	-	-	-	-	-	-	-	-
<i>Other</i>	5,153	16,714	5,783	4,288	4,916	5,429	5,327	8,486	8,361	9,990
Postal and courier services	94	96	153	116	63	66	20	36	18	19
Travel	12,338	12,524	16,365	25,301	27,282	29,501	27,604	33,252	36,663	40,181
Business	1,789	1,807	2,261	10,654	4,154	21,448	24,249	22,478	25,004	33,834
Personal	10,550	10,717	14,104	14,647	23,128	8,053	3,355	10,775	11,659	6,347
<i>Health related</i>	-	-	-	18	42	-	-	0	-	13
<i>Education related</i>	-	-	-	18	42	-	-	14	11	49
<i>Other</i>	-	-	54	15	35	21	97	1,893	11,649	6,286
Telecommunications, computer, an	9,323	9,549	15,146	11,514	6,273	6,521	2,050	3,603	1,782	1,896
Telecommunications	9,323	9,549	15,146	11,514	6,263	6,519	2,002	3,587	1,776	1,868
Computer and information servic	-	-	-	-	10	2	49	16	6	28
Construction	563	-	348	154	937	3,329	1,022	47	1,170	699
Insurance and pension services	-	-	-	-	-	-	-	-	-	-
Financial services	108	-	-	199	340	1,721	318	1,442	775	54
Charges for the use of intellectual p	-	367	-	-	-	-	-	-	-	-
Other business services	3,217	1,552	724	1,859	525	3,331	1,910	8,351	8,125	6,413
Personal, cultural, and recreational	367	-	1,143	1,090	360	2,255	724	1,631	2,198	1,395
Government goods and services n.i	3,418	8,219	7,849	7,040	7,440	11,642	7,381	7,197	12,851	11,472
Services Debit	45,780	41,811	65,819	69,399	79,143	67,853	88,282	90,278	104,657	91,677
Manufacturing services on physical	-	-	-	-	-	-	-	-	-	-
Maintenance and repair services n.i	-	485	-	-	-	-	-	-	-	-
Transport	21,765	11,412	44,110	32,611	41,293	37,178	36,983	45,029	50,086	45,419
Sea transport	7,571	10,249	12,668	15,579	17,678	18,287	16,251	19,534	22,157	17,425
Air transport	14,115	1,078	31,369	16,948	23,557	18,836	20,713	25,469	27,882	27,924
Other modes of transport	-	-	-	-	-	-	-	-	-	-
<i>Of which:</i>										
<i>Passenger</i>	13,653	429	18,571	16,332	22,936	18,168	19,874	23,785	25,985	26,304
<i>Freight</i>	7,480	10,469	22,327	10,953	12,358	12,807	13,839	16,886	17,929	15,851
<i>Other</i>	553	429	3,138	5,243	5,940	6,149	3,252	4,332	6,126	3,192
Postal and courier services	79	85	73	83	59	54	19	26	47	71
Travel	7,171	7,541	6,368	9,857	10,065	7,999	22,083	18,877	14,883	16,455
Business	2,459	2,567	1,918	4,250	5,644	3,080	12,434	12,125	8,404	9,330
Personal	4,712	4,974	4,451	5,608	4,421	4,919	9,650	6,752	6,479	7,125
<i>Health related</i>	314	330	299	788	1,094	804	1,748	1,374	635	1,391
<i>Education related</i>	1,275	1,347	1,118	1,055	1,510	1,923	4,364	2,034	2,146	2,750
<i>Other</i>	3,124	3,298	3,034	3,765	1,817	2,192	3,537	3,345	3,698	2,983
Telecommunications, computer, an	7,780	8,681	7,271	8,273	5,895	5,542	2,202	2,590	5,408	7,109
Telecommunications	7,780	8,416	7,259	8,258	5,839	5,393	1,891	2,571	4,625	7,037
Computer and information servic	-	265	13	15	56	150	310	19	783	72
Construction	5	-	1,241	20	838	14	97	71	1,664	405
Insurance and pension services	2,084	2,966	1,772	2,166	4,235	3,371	2,663	2,413	2,838	2,665
Financial services	506	269	44	2,156	2,283	1,077	469	1,275	2,194	796
Charges for the use of intellectual p	-	265	9	-	63	36	-	-	-	-
Other business services	1,844	1,403	630	992	687	830	1,040	1,302	5,283	7,388
Personal, cultural, and recreational	78	-	513	378	121	52	771	1,289	1,464	1,696
Government goods and services n.i	4,547	8,788	3,860	12,946	13,663	11,754	21,973	17,431	20,838	9,745

Table 4: Primary Income Account, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Balance on Primary Income	1,321	7,411	4,063	6,117	(170)	10,399	14,377	14,256	13,358	7,634
Primary Income Credits	9,185	14,009	13,735	13,738	12,434	16,385	20,619	22,527	21,283	22,404
Compensation of Employees	4,177	7,534	7,051	7,180	6,647	6,572	7,367	7,922	8,961	8,541
Investment income	5,007	6,475	6,684	6,559	5,787	9,813	13,252	14,605	12,322	13,863
Direct investment	363	577	1,119	-	-	-	-	5	0	-
Portfolio investment	-	-	-	-	-	-	-	-	-	-
Other investment	4,644	5,898	5,565	6,559	5,787	9,813	13,252	14,600	12,322	13,863
Reserve assets	-	-	-	-	-	-	-	-	-	-
Other primary income	-	-	-	-	-	-	-	-	-	-
Primary Income Debits	7,863	6,598	9,672	7,621	12,604	5,986	6,243	8,271	7,925	14,770
Compensation of Employees	838	1,023	2,562	1,184	120	122	131	109	194	1,960
Investment income	7,025	5,575	7,110	6,437	12,484	5,864	6,112	8,162	7,731	12,810
Direct investment	3,116	2,037	1,910	800	-	-	0	4	-	37
Portfolio investment	-	-	-	-	-	-	-	-	-	-
Other investment	3,909	3,538	5,200	5,637	12,484	5,864	6,111	8,158	7,731	12,773
Other primary income	-	-	-	-	-	-	-	-	-	-

Table 5: Secondary Income Account, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Balance on Secondary Income	98,952	122,829	127,055	143,693	154,132	170,393	181,722	200,297	184,537	184,081
Secondary Income Credits	112,761	160,340	155,489	168,535	180,809	201,890	202,612	228,814	205,950	210,920
General government	3,199	15,648	5,376	12,608	20,349	13,618	22,633	8,664	20,750	47,559
Deposit-taking corporations and ot	109,562	144,692	150,113	155,927	160,460	188,272	179,978	220,150	185,199	163,361
Personal transfers	103,065	131,459	125,059	127,106	127,172	150,347	156,335	189,338	160,006	132,185
<i>Of which: Workers' remittances</i>	<i>103,065</i>	<i>131,459</i>	<i>125,059</i>	<i>127,106</i>	<i>127,172</i>	<i>150,347</i>	<i>156,335</i>	<i>189,338</i>	<i>160,006</i>	<i>132,185</i>
Other current transfers	6,497	13,233	25,054	28,821	33,287	37,925	23,643	30,812	25,193	31,175
Secondary Income Debits	13,809	37,511	28,434	24,841	26,676	31,497	20,889	28,517	21,412	26,839
General government	312	1,804	1,148	526	605	3	249	347	1,361	13,820
Deposit-taking corporations and ot	13,497	35,707	27,286	24,315	26,072	31,495	20,641	28,170	20,051	13,019
Personal transfers	10,939	32,583	25,440	18,688	21,295	28,208	18,337	25,242	17,933	11,071
<i>Of which: Workers' remittances</i>	<i>10,939</i>	<i>32,583</i>	<i>25,440</i>	<i>18,688</i>	<i>21,295</i>	<i>28,208</i>	<i>18,337</i>	<i>25,242</i>	<i>17,933</i>	<i>11,071</i>
Other current transfers	2,559	3,124	1,846	5,627	4,777	3,287	2,304	2,928	2,118	1,948

Table 6: Capital Account, T\$(thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Balance on Capital Account	17,438	25,790	22,316	22,574	23,564	22,327	40,043	31,498	136,704	126,170
Capital Account Credits	18,898	29,665	23,308	23,249	23,674	23,127	48,386	37,752	137,333	128,926
Gross disposals of nonproduced noi	-	-	-	-	-	-	-	-	48,000	-
Capital transfers	18,898	29,665	23,308	23,249	23,674	23,127	48,386	37,752	89,333	128,926
General government	18,128	19,819	14,798	21,383	23,456	22,185	27,522	20,010	56,337	110,618
Debt forgiveness	-	-	385	-	-	-	-	-	1,186	-
Other capital transfers	18,128	19,819	14,414	21,383	23,456	22,185	27,522	20,010	55,151	110,618
Deposit-taking corporations and	770	9,846	8,510	1,866	218	942	20,864	17,742	32,996	18,308
Debt forgiveness	-	-	-	-	-	-	-	-	-	-
Other capital transfers	770	9,846	8,510	1,866	218	942	20,864	17,742	32,996	18,308
Capital Account Debits	1,460	3,875	993	676	110	800	8,343	6,254	629	2,755
Gross acquisitions of nonproduced	-	-	-	-	-	-	-	-	-	-
Capital transfers	1,460	3,875	993	676	110	800	8,343	6,254	629	2,755
General government	-	-	573	40	110	800	4,728	3,443	159	782
Debt forgiveness	-	-	-	-	-	-	-	-	-	-
Other capital transfers	-	-	573	40	110	800	4,728	3,443	159	782
Deposit-taking corporations and	1,460	3,875	420	636	-	-	3,615	2,811	470	1,973
Debt forgiveness	-	-	-	-	-	-	-	-	-	-
Other capital transfers	1,460	3,875	420	636	-	-	3,615	2,811	470	1,973

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