



# Tonga development cooperation report 2009

August 2010

This report focuses on the bilateral aid program's progress in 2009 towards the outcomes of the Australia–Tonga Partnership for Development. Reports on the program's performance in previous years are available on the Australian Agency for International Development's (AusAID's) website.

## Context

Tonga faced a difficult year in 2009 as the extent of damage to its economy from the global recession became clearer. In Tonga's 2009–10 financial year, remittances—which traditionally account for 31% of gross domestic product—fell by an estimated 18%, tourism receipts by 15%, exports by 6% and overall gross domestic product by 1.2%.<sup>1</sup> Government revenues in 2009–10 were estimated to have been 24% below budget estimates. These developments will continue to have an impact on Tonga well into 2010 as the Government of Tonga cuts back on spending and as donors develop a coordinated response to the budget crisis.

Following commitments made by King Tupou V in 2008, progress towards political reform continued in 2009, with key changes to electoral procedures agreed in the parliament in December. The challenges of moving to a new system of political governance will dominate the political landscape in Tonga for several months before and after the elections in November 2010.

Two disasters impacted heavily on Tongan society in 2009: the sinking of the inter-island ferry MV Princess Ashika, which claimed 74 lives on 5 August, and the tsunami on the remote island of Niuatoputapu on 30 September, which resulted in the loss of 9 lives and significant structural damage.

While Tonga remains on track to meet most of the Millennium Development Goals (Table 1), the country continues to face high rates of non-communicable diseases and concerns about the quality of education and employment opportunities for young people. Tonga has the highest gender-related development index in the South Pacific, but it was ranked 102nd out of 109 countries on gender empowerment in a report by the United Nations Development Programme in 2009<sup>2</sup>, based on measures for political participation, decision-making power, economic participation and command over resources.

In March 2009 the Government of Tonga announced it would develop a National Strategic Planning Framework to define development priorities for the kingdom for the next 5–10 years.

<sup>1</sup> Government of Tonga's estimates.

<sup>2</sup> United Nations Development Programme, *Overcoming barriers: human mobility and development*, Human Development Report 2009, New York, 2009, viewed August 2010, <<http://hdr.undp.org/en/reports/global/hdr2009/>>.

This framework was developed at the same time as the Australia–Tonga Partnership for Development, which enabled the Partnership's targets to be aligned with those of the framework. The Partnership's priority outcomes of a more efficient and effective public sector; improved health; improved technical and vocational skills and development of infrastructure to improve the everyday lives of the people, were mutually identified during partnership negotiations.

**Table 1: Tonga's progress towards the Millennium Development Goals**

MDG	Indicator	Status	Indicator	Status
1: Eradicated extreme poverty and hunger	Population living on less than US\$1 a day	22.3% (2004)	Children under 5 years of age underweight	2% (1999)
2: Achieve universal primary education	Primary education completion rate	91% (2005)	Literacy rate of 15–24 year olds	99.6% (2007)
3: Promote gender equality and empower women	Ratio of girls to boys in primary and secondary education	1 (2006)	Share of women in wage employment	42.3% (2006)
4: Reduce child mortality	Under 5 years mortality per 1000 live births	22 (2010)	One year olds immunised against measles	98.7% (2010)
5: Improve maternal health	Maternal mortality per 100 000 births	113 (2005–07)	Births attended by skilled health personnel	98% (2007)
6: Combat HIV/AIDS, malaria and other diseases	Number of people living with HIV	<100 (2007)	Prevalence of tuberculosis per 100 000 population	22 (2010)
7: Ensure environmental sustainability	Households using an improved drinking water source	98% (2007)	Households using an improved sanitation facility	99% (2007)

On track to reach the MDG (likely to meet the target).

May reach the MDG (limited data and progressing very slowly but could reach the target with extra effort and resources).

Source: Pacific Islands Forum Secretariat, 2010 Pacific Regional MDGs Tracking Report.

When the Prime Ministers of Australia and Tonga signed the Partnership for Development in August 2009 the governments of both countries committed to working closely together to address common challenges and to improve the quality of life of all people in Tonga. The signing of the Cairns Compact on Strengthening Development Coordination in the Pacific increased both countries' mandate to coordinate with other donors.

Australia provided Tonga an estimated \$21.3 million of official development assistance in 2009–10<sup>3</sup>, approximately 20% of Tonga's expected government revenue of \$105.6 million. Australia is Tonga's largest bilateral donor of cash grants and provides the second highest level of in-kind support (Table 2).

**Table 2: Estimated donor contributions to Tonga in 2009–10 as at July 2009**

Bilateral donors	Cash grants	In-kind support	Multilateral organisations	Cash grants	In-kind support
	A\$ million	A\$ million		A\$ million	A\$ million
Australia	8.4	6.0	Asian Development Bank	10.2	3.4
New Zealand	5.0	3.7	European Union	4.2	1.5
China	1.0	20.6	World Bank	1.4	1.8
Japan	–	2.7			

<sup>3</sup> In 2009–10, Australia provided \$14.5 million in bilateral aid, as reflected in Table 2, and a further \$6.8 million in other official development assistance provided through regional and global programs.

Note: In-kind contributions are defined as any donor contribution not managed directly by the Ministry of Finance and National Planning and include monetary loans.

Source: Tonga Ministry of Finance and National Planning.

## Progress towards priority outcomes

The ratings of progress in this report indicate the likelihood of the mutually-agreed targets for each priority outcome being achieved within the timeframes set out in the Partnership<sup>4</sup> for Development and take into account inputs from both Australia and Tonga. Because the partnership was only recently established—resulting in the bilateral program undergoing a period of significant change—three of the four priority outcomes were expected to be only partly achieved.

### Priority outcome 1: A more efficient and effective public sector

#### Rating



The priority outcome will be partly achieved within the timeframes in the Partnership for Development.

This rating is based on progress towards the targets in Box 1, which were designed to be achieved in 2010.

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<sup>4</sup> Timeframes for achievements vary between Priority Outcomes. The achievements under Priority Outcome 1 were expected to be achieved in 2010, those under Priority Outcome 2 by 2015 and those under Priority Outcome 3 by 2012. The Implementation Schedule for Priority Outcome 4 has yet to be developed.

### Box 1: Targets of priority outcome 1

**Joint Commitments:** The Partnership will build on existing Australian assistance for the strengthening of the public sector in policy formulation and implementation, and public financial and economic management. This could include drawing on planned regional support for public sector capacity building and the existing *Tonga Australia Performance Partnership Agreement* (TAPPA) arrangements to make progress towards the targets of:

- > Adoption and implementation of Tonga's forthcoming *National Strategic Planning Framework* (NSPF), which encompasses the objectives and principles of the Partnership, and effective monitoring of implementation of the NSPF;
- > Improved budgetary management, including through the introduction of a Medium Term Budgetary Framework in the 2009-2010 Budget, which incorporates forward projections of aggregate expenditure and revenue, and sectoral expenditure allocations in the 2010-2011 Budget that demonstrate the Government's commitment to increasing the share of expenditure to NSPF priorities;
- > Improved public sector procurement practices;
- > Improved internal expenditure controls to reflect the Government's *Public Financial Management Act (2002)*;
- > Improved efficiency of the Government financial management system; and
- > Improved policy development and program delivery at the sectoral level, including by undertaking public expenditure reviews as identified.

Taken from *Australia–Tonga Partnership for Development*, <<http://www.ausaid.gov.au/country/partnership/tonga.cfm>>, p. 7.

The outcome is aligned with enabling themes of the draft National Strategic Planning Framework and the targets are to be jointly reviewed and updated each year in bilateral Partnership Talks.

### Assessment of performance

**Incentive funding** remains a key feature of Australia's support to the public sector—in 2008–09 as the second iteration of the Tonga Australia Performance Partnership Agreement, and in 2009–10 as a performance grant incentivise achievement of the targets of the Partnership for Development, as listed in Box 1. Tonga successfully achieved the milestones of the 2008–09 Performance Partnership Agreement over the 2009 calendar year for improved revenue services and performance management within the public service, resulting in a partial payment of \$1 million. A further payment of \$1 million was made in 2010 when Tonga completed the policy matrix developed by the Asian Development Bank—evidence of improving donor harmonisation. Tonga's progress towards the milestones for the 2009–10 performance grant, listed above, will be assessed in the second half of 2010.

Australian-funded technical assistance for the **Ministry of Finance and National Planning** has assisted Tonga to achieve the targets set out in incentive funding arrangements.

Australian assistance to meet this priority outcome also yielded the following results.

- > Through the provision of two **tax advisors**, more tax returns were submitted (up from 55% in 2007–08 to 70% in 2008–09), more than T\$12 million was secured through audits and T\$33 million in claimed losses were disallowed after assessments.


- > Australia is funding technical assistance to the **Public Service Commission**, including the salary of the commissioner. Support in this area enabled the commission to progress key reforms, including implementation of a pilot performance management system across 10 ministries.
- > In August 2009 AusAID established an International **Procurement** Implementation Unit to manage Australian and New Zealand funded procurements. As part of this initiative, AusAID also funds a procurement advisor to the Ministry of Finance and National Planning to build staff capacity and improve procurement processes. This, along with development of new procurement practices and controls, will improve Tonga's ability to manage both government and donor procurement requirements.

Much of Australia's support in the public sector is **technical assistance**. The use of this form of aid reflects Tonga's need to replace the capacity lost as a result of high levels of emigration. The previous annual performance report recommended that the effectiveness of Australian-funded technical assistance to the public sector be assessed, and it was in early 2010. That assessment recommended developing a structured process for requesting technical assistance, adopting a framework for monitoring and evaluating the assistance, increasing the use of local consultants and providing capacity-building training to technical advisors. These recommendations are being adopted.

**Regional programs**, including those offered through the Pacific Public Sector Linkages Program and the International Seminar Support Scheme, provided networking and training opportunities to a range of Tongan ministries in 2009.

## Priority outcome 2: Improved health

### Rating

 The priority outcome will be partly achieved within the timeframes in the Partnership for Development.

Priority outcome 2 is aligned with objective 6 of the draft National Strategic Planning Framework and its targets are drawn from the Ministry of Health's corporate plans. The targets in Box 2 require substantial behavioural and societal change, which is a long term endeavour and likely to constrain rapid progress. Current Government of Tonga budget estimates also indicate that resources dedicated to preventive health care will have to be substantially increased in real terms to achieve the jointly agreed targets.

## Box 2: Targets of priority outcome 2

**Joint Commitments:** The Partnership will provide flexible and wide ranging support for the implementation of the Ministry of Health's Corporate Plans towards the targets of:

- > Reduced prevalence of non-communicable disease risk factors including:
  - Tobacco Use: 2 per cent decrease in prevalence of smokers by 2015; and
  - Obesity: 2 per cent decrease in overall prevalence of obesity by 2015;
- > Budget for preventive health care reaches 10 per cent of total public health operational budget by 2015; and
- > Primary health care to all communities in Tonga to follow a common national standard including the utilisation of this service.

Taken from *Australia–Tonga Partnership for Development*, <<http://www.aisaid.gov.au/country/partnership/tonga.cfm>>, p. 7.

Australian support to the Tongan health sector was in transition in 2009 as a new program, the Tonga Health Systems Support Program, was established to focus on service delivery and ministry capacity. The long-term involvement of Australia and other donors in the sector has provided a firm base of Tongan expertise in health management. This, along with the benefits of interim assistance and the establishment of the Tonga Health Promotion Foundation, are positive developments.

## Assessment of performance

**Interim assistance** to the Ministry of Health continued in 2009 and funded the procurement of short-term technical assistance and medical equipment, including a locum anaesthetist and three generators for the health clinic on Niuatoputapu following the tsunami. The target of increased service delivery will be assisted by the implementation of the Tonga Health Systems Support Program, which commenced in March 2010. The program will provide support to improve health systems, to cover critical deficiencies in service delivery and to build the financial and reporting capacity of the Ministry of Health. Baseline data, provided by the 2006 Tonga census and 2004 WHO STEPS survey will enable AusAID and Tonga to track progress made in this area.

The **Tonga Health Promotion Foundation**, which was established in February 2009, is the joint initiative of the World Health Organization, the Secretariat of the Pacific Community, Tonga and Australia. The foundation provides grants for community activities that aim to reduce the incidence of non-communicable diseases and for social marketing campaigns.


The grants program was launched on 17 December 2009 and the first 12 grants, with an approximate value of \$29,000 were awarded for community-based initiatives to encourage healthy eating and physical activity. In 2010 the foundation will develop a monitoring and evaluation framework for assessing the outcomes of these grants and other projects.

The capacity of the health sector continued to be supplemented by three Australian-funded **in-line medical professionals** in 2009. As well as performing 1409 surgical procedures, these professionals provided regular staff training and management services. They developed emergency response procedures and introduced procedures that reduced delays in emergency service referrals. An Australian-funded biomedical engineer also provided support to the Ministry of Health. The position resulted in the life of equipment being extended, ensuring it was correctly calibrated and reducing the risk of equipment failure to patients.

A range of **regional health programs** provided ongoing support to the Ministry of Health as well as non-government health organisations. This support included providing essential preparatory medical supplies and advice as part of the Pacific Regional Influenza Pandemic Program and procuring vaccines through the Child Protection Programme of the United Nations Children's Fund. The Australian Sports Commission began designing a joint program of 'sport for development' in 2009. The program will work directly with the Ministry of Health and the Ministry of Training, Employment, Youth and Sports to increase the availability of sport in schools and communities. It will be an important community-level component of Australia's health assistance to prevent non-communicable diseases.

### Priority outcome 3: Improved technical and vocational skills

#### Rating

 The priority outcome will be fully achieved within the timeframes in the Partnership for Development.

Priority outcome 3 is aligned with objective 5 of the draft National Strategic Planning Framework. This rating reflects ongoing achievements in scholarship programs, the benefits of interim assistance and the Government of Tonga's commitment to achieving the outcome. The major program that will support this outcome, the joint Australia – New Zealand – Tonga Technical Vocational Education and Training Support Program, began in May 2010.

#### Box 3: Targets of priority outcome 3

**Joint Commitments:** The Partnership will develop opportunities to grow skills in areas of industry demand both domestically and abroad, through strengthening the management and teaching capabilities of technical and vocational education and training institutions in Tonga, and promoting access to training and employment opportunities in the region, towards the targets of:

- > Increased numbers of Tongans completing locally or internationally accredited technical and vocational education and training courses, with a focus on equal opportunities for all; and
- > Increased numbers of accredited technical and vocational qualifications available in Tonga.

Taken from *Australia–Tonga Partnership for Development*, <<http://www.ausaid.gov.au/country/partnership/tonga.cfm>>, p. 8.

#### Assessment of performance

The **Technical Vocational Education and Training Support Program** is being implemented with New Zealand's International Aid & Development Agency (NZ Aid), the other major donor to the education sector in Tonga, in collaboration with the Government of Tonga. The program will lead to more internationally accredited Tongan qualifications by providing a solid framework for providing internationally recognised training courses, promoting demand-driven training and enabling the Ministry of Training, Employment, Youth and Sports and the Ministry of Education to manage the program. Under the Partnership, the program will also collect baseline data to measure achievements and progress.

In preparing for the Technical Vocational Education and Training Support Program the **Tonga National Qualifications and Assessment Board** was established in 2008 with



Australian technical assistance. The board provides a quality and accreditation framework for tertiary training institutions.


Australian funding to the education sector resulted in 41 teachers graduating from the **Australia–Pacific Technical College** with Trainer and Assessor Certificates IV in 2009. The college continued to provide hospitality and trades training to Tongan students in Samoa, Vanuatu and Fiji. One hundred Tongan students were accepted for scholarships to the college in 2009, half of them females (one of the highest ratios in the region for a successive year).

Given the significance of remittances in Tonga's economy, as well as the number of Tongans providing technical assistance to other Pacific nations, Australian **scholarships** continued to be an important resource to both Tonga and the Pacific region. At the end of 2009, eight recipients of Australian Regional Development Scholarships and two recipients of Australian Development Scholarships completed their studies. AusAID liaises regularly with Tongan ministries to ensure that the priorities of the scholarships program are aligned with those of Tonga and the Partnership for Development. It is also working with NZAID to ensure that Australia's and New Zealand's scholarship programs are increasingly harmonised. The 2009 tracer studies of previous scholarship recipients identified that 82% of recipients obtained work that is highly relevant to their training and that 89% had their skills and knowledge recognised by their employers. The studies also revealed that 35% of recipients of Australian Development Scholarships and 22% of recipients of Australian Regional Development Scholarships were living overseas at the time.

The **Pacific Seasonal Workers Pilot Scheme** commenced in February 2009. Fifty workers were recruited from Tonga to work in Australia, all of whom completed Australian-accredited adult education units in financial literacy, numeracy and information technology before they departed. More than 50 Tongan workers will return to work in Australia in 2010.

#### Priority outcome 4: Develop infrastructure to improve the everyday lives of the people

##### Rating

 The priority outcome will be partly achieved within the timeframes in the Partnership for Development.

Progress towards priority outcome 4 in 2009 was slower than anticipated, specifically because of delays in the commencement of an AusAID supported road maintenance program. Nevertheless, Australian engagement in the infrastructure sector resulted in a better model for road maintenance that increases local private sector involvement. Australia's support for this priority outcome is provided through the Tonga Transport Sector Consolidation Project, which is led by the World Bank. Priority outcome 4 is drawn from objective 4 of the draft National Strategic Planning Framework.



#### Box 4: Targets of priority outcome 4

**Joint Commitments:** The Partnership will plan and put in place transport and other infrastructure to reduce business costs and facilitate access to markets and services. Systematic approaches will be developed and implemented to the provision of infrastructure and its long term maintenance, towards the targets of:

- > An increase in the proportion of the population with reliable and affordable transport links to markets and services;
- > Increased domestic private sector participation in the provision and operation of infrastructure; and
- > Regular and adequate budgetary provision for infrastructure maintenance.

The Partnership will work closely with the *Pacific Region Infrastructure Facility* in fulfilling these joint commitments.

Taken from *Australia–Tonga Partnership for Development*, <<http://www.ausaid.gov.au/country/partnership/tonga.cfm>>, p. 8.

#### Assessment of performance

As recommended in the previous program performance report, Australia's funding of a local road maintenance program will assist the Government of Tonga to respond to the impacts of the global recession by creating employment opportunities. The Transport Sector Consolidation Project will use mainly local labour and contractors, and design consultations have resulted in the Government of Tonga increasing its support for the program. Limited capacity within the Ministry of Transport and an extended design phase to accommodate an increase in Australian support impeded the start of the program. Because of the government's limited budget for infrastructure, Australia's funding of infrastructure maintenance remains highly relevant.

In addition to AusAID's bilateral support, the project has received Australian funding through the **Pacific Regional Infrastructure Facility**, a multi-donor coordination and financing mechanism involving AusAID, the New Zealand Aid Programme, the World Bank Group and the Asian Development Bank to increase the quality and quantity of infrastructure assistance in the region. This support contributed to upgrades of safety services at the airport, and the purchase of maritime navigational aids in 2009. The use of the facility has reduced the reporting burden on the Government of Tonga.

The sinking of the ferry MV Princess Ashika reduced transport links for Tongan communities, especially those on outer islands. In August 2009, Australia and New Zealand undertook to source an **interim ferry service** for Tonga, which commenced in April 2010. This assistance has ensured that the Government of Tonga has sufficient management processes in place to provide an effective and safe ferry service.

#### Other programs

Other programs without specific Partnership for Development targets aim to support and enable political reform and economic growth in Tonga.

Australia and New Zealand provided joint financial support to Tonga's program of **political reform** in 2009. This support funded salaries for the Constitutional and Electoral Commission, limited technical assistance and a public awareness campaign of 151 community workshops and 46 half-hour television programs. The commission received 96 submissions

about the political reform process from communities, and submitted its interim and final reports within the timeframe set by legislation. The program's momentum was maintained through the establishment of the Boundaries Commission in December 2009, whose work is also supported by the joint funding.

In 2009 the **Tonga Police Development Program** completed a kingdom-wide *Fono* consultation, during which more than 50 workshops were held and 10% of the population were surveyed about their perceptions of the Tonga Police Force. This consultation has provided a baseline for future analysis. During the year Australian Federal Police officers led the procurement of key radio and building infrastructure. Prime Minister Sevele has noted an increase in confidence in the Tonga Police Force as a result of the program.

**Regional justice programs** included Australian-funded mediation training, provided by the World Bank, and the twinning program with the Australia Federal Court Law Library. Both programs provided important training to Tongan court officials in 2009. While the Pacific Judicial Development Program was in hiatus for much of 2009, due to a change in management, it is still considered a successful program by judiciary personnel and will continue in future years. These programs, as well as programs of support for new members of parliament, will be of particular relevance in 2010 as national elections lead to a potential change in political leadership and capacity.

Australia provided **emergency relief** assistance following the sinking of the ferry MV Princess Ashika in August 2009 and the tsunami on Niuatoputapu in September 2009. This assistance included Australian Defence Force assets, emergency supplies and reconstruction equipment and was closely coordinated with that of other donors on both occasions. Australia has funded Counsel and transcription equipment and services to the Royal Commission into the MV Princess Ashika's sinking and, as mentioned previously, will jointly fund with New Zealand an interim ferry service in 2010. Australia's responsiveness to both disasters was publicly acknowledged by the Government of Tonga and the Tonga Red Cross.

Applications by businesses affected by the 2006 riots for funding under the **Business Recovery Facility** and the **Private Sector Reconstruction Facility** closed in December 2009. A review of both facilities found that they had achieved their objectives and provided support to 56 and 7 businesses, respectively, by providing low-cost loans to fund recovery activities.

AusAID is supporting the development of Tonga's **Energy Roadmap**. The roadmap sets out how Tonga will pursue alternative energy sources (including solar and wind) and energy efficiency measures to reduce its reliance on imported fuel. This plan has been developed by the Government of Tonga with the involvement of many donors led by the World Bank. Australia provided \$722 000 in 2009 towards the development of the roadmap and will support its implementation in 2010 through the Pacific Regional Infrastructure Facility.

A wide range of **regional programs** operated in Tonga in 2009, including several in the environment sector. The South Pacific Sea Level Climate Change and Monitoring Project, which is managed by the Australian Bureau of Meteorology, provided new forecasting equipment to Niuatoputapu following the tsunami. The Australian Bureau of Meteorology and Geoscience Australia also provided a range of technical assistance and training to the Tonga Meteorology Service, which increased its preparedness for cyclones.

## Program quality

Australia made progress in implementing the **donor coordination** agenda of the Cairns Compact in 2009. A coordinated approach with New Zealand was maintained through joint funding of political reform and the Tonga Police Development Program, through delegated cooperation in education and disaster responses and through harmonised scholarship processes. Australia also works closely with the World Bank and the Asian Development Bank in program and policy discussions, but further work is needed to improve the coordination of analytical work.

The **mutual accountability** of the governments of Australia and Tonga was enhanced by the improved predictability of aid funding provided by the Partnership for Development and AusAID's regular reporting to the Aid Management Division of the Ministry of Finance and National Planning. However, the lack of staff within the Government of Tonga has reduced its ability to provide up-to-date statistics or frequent financial reporting. Australian-funded technical support and training will go some way towards reducing this constraint.

Many ministries and other aid recipients in Tonga noted Australia's flexibility and **responsiveness** to emerging needs in 2009. In particular, the responses to the ferry sinking, tsunami and global recession received high levels of public attention and support.

## Next steps

Tonga will hold **national elections** in November 2010 and Australia will provide technical and financial support to the Tongan Electoral Commission. Its requests, and others relating to the political reform program, will be given a high priority in 2010 to promote an effective and transparent electoral process. Furthermore, support will be made available to programs that aim to support new political leaders.

Australia aims to work with the Government of Tonga and other donors to develop a **comprehensive coordinated response to Tonga's budgetary difficulties** in 2010. This includes participating in donor forums coordinated by the Government of Tonga as well as in regular multi-donor discussions. AusAID will also continue to work closely with other donors to ensure there is a coordinated approach to supporting Tonga's public financial management and public sector. Where appropriate, this coordination will include shared performance milestones and economic assessments.

A review of **technical assistance** in Tonga provided much-needed analysis of how this support is used in the Tongan context, especially whether there has been increasing use of Tongan government systems to improve cost effectiveness. The review's recommendations will be implemented in 2010. Priority will be given to developing a structured process for assessing ministries' requests for technical assistance that is in line with Tonga's budget process and to implementing the review's monitoring and evaluation framework, which will be linked directly with ministries' corporate plans. Also, training in building local capacity will be given to those providing technical assistance.

Tongan ministries and the community have limited knowledge of the extent of Australian support provided to key functions and programs of the Government of Tonga. This is exacerbated by the preference of other donors to focus their assistance on infrastructure and other 'tangible' support, which are easily branded. AusAID will develop a **communications**

**strategy** to inform local Tongan media about the impacts of its assistance. This strategy will also ensure that Australian contributions to joint funding and delegated arrangements are appropriately recognised.

Australia will continue to provide support to the Government of Tonga's **procurement** practices and policies. This support will be provided so that Australia and other donors can increasingly channel their assistance through Tonga's systems.

Australia will also work with Government of Tonga and other development partners to develop a shared strategy for achieving **priority outcome 4** of the Partnership for Development. The strategy will shape Australia's support to the infrastructure sector, including the support provided through the Transport Sector Consolidation Project and the Pacific Regional Infrastructure Facility.