



DEPARTMENT OF TRADE CORPORATE PLAN 2020-22

DEPARTMENT OF TRADE
MINISTRY OF FISHERIES AND TRADE, GOVERNMENT OF TUVALU

Contents

LIST OF APPBREVIATIONS AND ACRONYMS 2

BACKGROUND 3

LEGAL AND POLICY FRAMEWORK..... 5

CORPORATE PLAN 5

 VISION AND MISSION 6

 OBJECTIVES 6

 MAIN ACTIVITIES BY OUTCOME (2020 – 2022) 8

MONITORING AND EVALUATION..... 12

CONCLUSION AND WAY FORWARD..... 12

 ANNEX 1: DEPARTMENT OF TRADE RESTRUCTURING 13



LIST OF APPBREVIATIONS AND ACRONYMS

AfT	-	Aid for Trade
CEO	-	Chief Executive Officer
CDP	-	Capacity Development Plan
CP	-	Corporate Plan
DCC	-	Development Coordination Committee
DOT	-	Department of Trade
DTIS	-	Diagnostic Trade Integration Study
EBA	-	Everything But Arms
EIF	-	Enhanced Integrated Framework
EPA	-	Economic Partnership Agreement
EU	-	European Union
ITA	-	International Trade Adviser
PACER Plus	-	Pacific Agreement on Closer Economic Relations
PICTA	-	Pacific Island Countries Trade Agreement
PICTA TIS	-	Pacific Island Countries Trade Agreement Trade in Services
PLMAM	-	Pacific Labour Mobility Annual Meeting
PLS	-	Pacific Labour Scheme
RSE	-	Regional Seasonal Scheme
SWP	-	Seasonal Worker Program
TK III	-	Te Kakeega III
TK IV	-	Te Kakeega IV
TMNP	-	Temporary Movement of Natural Person
TPF	-	Trade Policy Framework



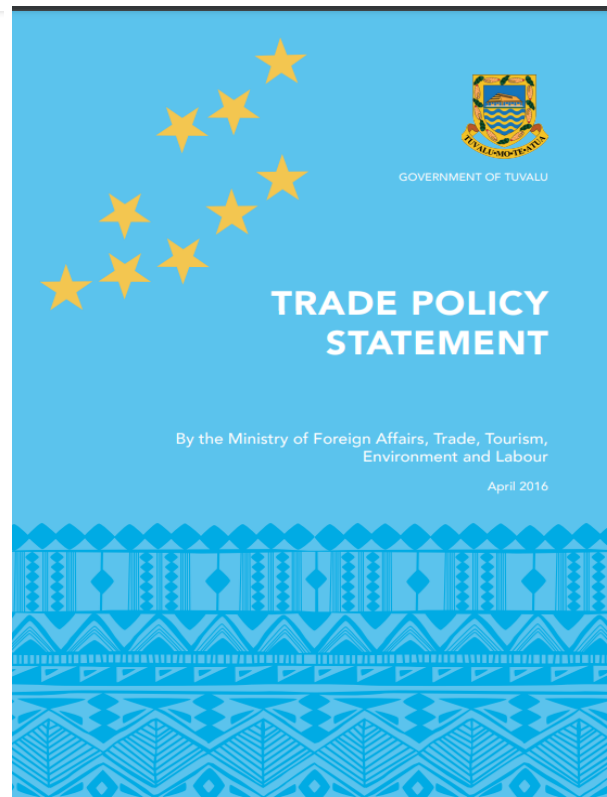
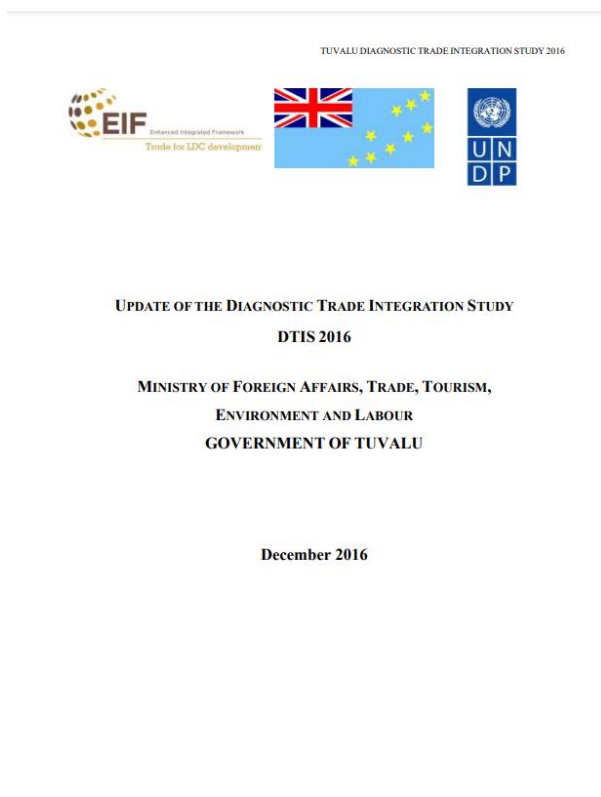


BACKGROUND

Tuvalu, a small Pacific Island country (estimated population is 11,000 and a total land area of 26 square kilometres) faces all constraints of smallness, remoteness, vulnerability to climate change and natural disasters. The poor quality of soil and supply of freshwater limit trade opportunities for Tuvalu while sea level rise and increasing intensity and frequency of cyclones tends to reduce sustainability of long-term investments. The economic potential is constrained by the lack of natural resources; small domestic market and underdeveloped private sector; geographical fragmentation across nine islands and atolls; difficult and expensive access to major international markets; and high inter-island transport costs.

Tuvalu is highly dependent on imports, the bulk of which consists of foods, fuel and building materials, medicine and medical equipment, as well as most consumer products including motor vehicles, appliances and clothing. In terms of export, Tuvalu have very little items to export given its limited resource and other challenges mentioned above. Efforts was taken place for Tuvalu to be an exporting country but not sustained due to lack of capacity in the private sector and the department to carry out the required task to execute the required activities.

To overcome the challenges and to seize the benefits of trade, Tuvalu government introduced Trade Policy Framework (TPF 2016) and Diagnostic Trade Integration Study (DTIS 2016) and has been engaged in various bi-lateral and regional trade negotiations. In addition, the department is working with the productive sectors (both public and private sector stakeholders) to build supply capacities in priority sectors, particularly, agriculture, fisheries, tourism, and labour mobility (identified as priority export sectors in TPF and DTIS). It is realized that trade as an engine for growth should help increase the capacity of the country to achieve sustainability and prosperity even though trade options and diversification are limited.



In above background, a **'Time-bound Action Plan'** is needed to accomplish the recommendations of TPF and DTIS along with the priorities of the National Strategy for Sustainable Development (Te Kakega - TK III). Noting that the TKIII will end in 2020, ana2 a new strategy will be developed, the Department of Trade (DOT) under the Ministry of Fisheries and Trade (MFT) will work towards aligning the changes to the new version of TK III in a more flexible and responsive approach in DOT Corporate Plan.

The DOT proposes this Corporate Plan of the department for 3 years period (2020-2022). The DOT Corporate Plan basically focuses on implementation of broad Policy objectives of TPF 2016 in line with the TKIII. These objectives are further refined to address specific targeted activities the DOT aims to achieve during the period (2020–2022). Trade is a cross-cutting issue, therefore, key stakeholders for various activities of trade vary according to the scope of the work that is carried out by different line Ministries together with contributions by non-government organization, including private sector and outer islands *'Kaupules'*.



The Corporate Plan is provided for the information and endorsement of the DCC and Cabinet on the planned activities for 2020 to 2022. The goals are set to be implemented within the period starting from the date this cooperate plan has been approved by the Cabinet/Government of Tuvalu.

LEGAL AND POLICY FRAMEWORK

The guiding principles of Corporate Plan is consistent with the National Strategy for Sustainable Development 2016 – 2020 - *Te Kakeega III (TK III)*. This plan is generally consistent with the related goals and aspirations covered in the Strategic Area 3 (The economy-growth and stability), Area 6 (Private Sector, Employment and Trade), and, Area 8 (Natural resources).

In addition, trade is a cross-cutting issue that span over various productive sectors of the economy and macro-economic issues like customs, transport, quality standards to trade related other services, the stakeholders of trade are diverse.

Therefore, the DOT will work closely with all related stakeholders including the private sector and the public sector to facilitate trade, both domestic trade/inter-islands trade as well as external trade.



CORPORATE PLAN

This is the first corporate plan (CP) for the Department of Trade under the newly formed Ministry and the new Government. The plan will cover the period of 2020 to 2022 with a view to include all priority areas for the Department based on its Work plan, Trade Policy, DTIS and the Te Kakeega III.

In addition, Tuvalu is a party to a number of Trade Agreements (PICTA, PICTA TIS, TMNP, PACER Plus, EPA), therefore, important work areas of the agreements are also included in the plan.



VISION AND MISSION

VISION:

“make trade engine of economic growth”.



MISSION:

“build productive capacities of Tuvalu and promote domestic and international trade”.

OBJECTIVES

The Department had identified the following as its important objectives to concentrate its efforts and resources over the years to achieve its Vision and Mission:

1. Build institutional and staff capacity
2. Participate in trade negotiations to expand and improve market access opportunities for Tuvalu products (goods and services) through negotiating /implementing key bi-laterally/regional trade agreements;
3. Implements the Trade Policy Framework (TPF 2016) and the Diagnostic Integration Study (DTIS 2016);
4. Build supply-side capacity of targeted Focal Areas (Agriculture, Fisheries, Tourism, and Labor Mobility) through specific trade-related intervention under the Enhance Integrated Framework (EIF) and other Aid for Trade programs;
5. Enhance stakeholders' coordination in trade (carry out stakeholders' awareness and information dissemination on trade activities and trade opportunities);
6. Trade Promotion and marketing activities by increasing domestic and international trade;

The above objectives will be explained in a more detail in the following (below) table.



MAIN ACTIVITIES BY OUTCOME (2020 – 2022)

Policy Goal	Expected Outcome	Strategies	Activities	Timeframe	Budget/Source
1. Build institutional and staff capacity	DOT and NTSC strengthened	<ul style="list-style-type: none"> i) Restructuring of DOT ii) Strengthening of NTSC iii) Establish NTSC thematic sub-committees 	<ul style="list-style-type: none"> i) Prepare DCC paper and Cabinet paper for restructuring of the DOT as recommended in Exit strategy and Capacity Development Plan (CDP) ii) Organize capacity building activities as recommended in the CDP iii) Establish specific/thematic sub-committee under NTSC iv) Finalize individual staff job description for new posts v) Finalize TORs for NTSC subcommittees vi) Closely work together with HRM unit on the new structure of the Department vii) Work towards finalizing the new structure of the Department and to appoint the Director and officials' level 		
2. Participate in Trade negotiations (bilateral and regional) and trade training program	Tuvalu Government/DO T effectively and efficiently participating in ongoing trade negotiations	<ul style="list-style-type: none"> i) PICTA, PICTA TIS and TMNP ii) PACER Plus iii) EPA iv) PLMAM v) TRADE TRAININGS 	<ul style="list-style-type: none"> i) PICTA, PICTA TIS, TMNP <ul style="list-style-type: none"> - Provide input on the review of the Pacific Island Countries Trade Agreement - Monitor the implementation of PICTA, PICTA TIS and TMNP ii) PACER Plus <ul style="list-style-type: none"> - Consult with ministry of finance on necessary action, on revenue loss assessment (adopt IMF recommendation or a new study/assessment) - Engage in the implementation of the required activities to complete before acquiring endorsement from cabinet on ratification. (Expected date of ratification February, 2020) - Notify the depositary (Tonga) on Tuvalu ratification - Start to work on activities required after ratification (enter into force) of the agreement - Participate in PACER+ implementation plan activities to ensure market access and development cooperation benefits in favor of Tuvalu. - Attend/participate related events organize by PIFS and other agencies - Participate actively in PACER Plus implementation plan once it ratified iii) EPA 		

			<ul style="list-style-type: none"> - Keep update with the current status of the Post-Cotonou negotiations and the EPA negotiations - keep up to date with the fisheries issues on the IUU not only with the EU but with other treaties and arrangements - work towards understanding on our obligations and opportunity that could take advantage under the EBA (Everything But Arm) arrangement offered by the EU – market access quota free - Liaise with Tuvalu Mission in Brussel for possible trade related capacity support from EU and other bilateral donors <p>iv) PLMAM</p> <ul style="list-style-type: none"> - Continue participation in the annual meeting of the Labour Mobility as it is part of PACER Plus agreement and Trade have negotiated the agreement. - Keep up to date data of labors involves in the RSE, SWP and PLS. <p>v) Trade Trainings</p> <ul style="list-style-type: none"> - Participate in Trade Trainings organized by multilateral/international and bi-lateral agencies abroad - Organize trade trainings at National level (EIF Tier 1/Tier 2 and other projects) 		
3. Implementati on of the Trade Policy 2016 and DTIS 2016 and mainstreamin g trade in Te Kakeega III and TK IV	TPF and DTIS implemented on a timely manner	<ul style="list-style-type: none"> i) Implementation of TPF ii) Implementation of DTIS Action Matrix 	<ul style="list-style-type: none"> i) Priorities TPF/DTIS Recommendations ii) Engage NTSC Thematic Sub-committees in TPF/DTIS implementation iii) Engage stakeholders in TPF/DTIS implementation iv) Quarterly stock-tacking of TPF/DTIS Action Matrix v) Present TPF/DTIS implementation progress in quarterly NTSC meetings 		
4. Build supply capacities through EIF/AfT including	EIF/AfT resources mobilized as per the DTIS/TPF	<ul style="list-style-type: none"> i) Prepare project proposals for AfT mobilization ii) Engage/dialogue with Development 	<ul style="list-style-type: none"> i) Implement EIF Tier 1 Phase 2 project ii) Organize stakeholder’s consultation on gaps and need and inputs for project proposals iii) Engage stakeholders (outer islands and private sector) in project preparations 		

<p>PACER plus implementation on fund and other regional AfT windows resource mobilization</p>	<p>recommendations</p>	<p>Partners to mobilize funding/AfT resources</p>	<ul style="list-style-type: none"> iv) Draft project proposals for EIF and other AfT funding v) Submit project proposal to EIF Board and other AfT windows vi) Implement EIF Tier 2/AfT projects vii) Organize regular meetings with the AfT donors and attend global/regional AfT forum. viii) Encourage the outer island in contributing to local product development and process for the purpose of domestic and international trade ix) Work closely with the fisheries department of improve standards of local product and also encourage micro-canning activities x) Assist with improving opportunities for marketing fish and fish product at the domestic level and training on how to go about labelling and well packaging of fish product; xi) Assist in carrying out possible way to use micro-canning in Tuvalu with the assistant of fisheries department. xii) Assist with plan and work towards reviving and strengthen the coconut industry and explore opportunities for alternatives coconut products; 		
<p>5. Enhance stakeholders' coordination</p>	<p>Strengthened stakeholders' coordination (public and private) in trade and development issues</p>	<ul style="list-style-type: none"> i) Engage stakeholders, private sector and outer islands in DOT work ii) Organize awareness programmes for stakeholders iii) Develop communication means to disseminate DOT achievements to wider stakeholders 	<ul style="list-style-type: none"> i) Organize NTSC meetings timely and ensure stakeholders participation and strengthen the coordination among members ii) Organize outer islands awareness programs each year iii) Prepare DOT website/Facebook page and regularly update it iv) Establish strong and regular communication means (email, phone, etc.) with outer islands and disseminate DOT works 		

6. E-trade related activity	e-commerce and modern technologies in trade adopted/developed	<ul style="list-style-type: none"> i) Implement Tuvalu e-Trade Readiness Assessment to accomplish its recommendations 	<ul style="list-style-type: none"> i) Launch of the e-trade report/Disseminate the Action Matrix/Recommendation of Assessment to the relevant stakeholders ii) Work closely with the relevant department and ministries to explore Tuvalu possibilities in adopting e-commerce/e-trade activities iii) Assist with the implementation of the action matrix e-trade assessment for Tuvalu iv) Monitor the progress of the action matrix implementation 		
7. Trade Promotion and marketing	Domestic and international trade promoted	<ul style="list-style-type: none"> i) Support trade between outer islands ii) Promote Tuvalu made products overseas 	<ul style="list-style-type: none"> i) Organize Annual TALOFA Trade Fair in Funafuti ii) Support outer islands Organize Mini Trade Fair(s) iii) Build local producers' capacities to meet international standards iv) Facilitate export of Tuvalu local product in overseas markets v) Provide basic awareness and trainings for small scale business in promoting product made from local resources 		
8. Monitoring and Evaluation	Enhanced efficiency and effective planning in DOT work	<ul style="list-style-type: none"> i) Regular monitoring of the DOT Corporate Plan ii) Regular monitoring of progress in TPF/DTIS and other trade related policies/documents 	<ul style="list-style-type: none"> i) Present DOT work progress to the Ministry on a regular basis ii) Present DOT work progress in quarterly NTSC meetings iii) Engage NTSC thematic sub-committees in monitoring and evaluation of specific areas of TPF/DTIS and PACER Plus implementation plan iv) Conduct semi-annual and Annual reviews/evaluation of the progress v) Present semi-annual and annual progress reports to the ministry and in quarterly NTSC meetings 		

MONITORING AND EVALUATION

The Department of Trade will regularly monitor its work activities and will provide a regular update on the department's work and achievements to the CEO of the Ministry and to the National Trade Steering Committee (NTSC) on a quarterly basis.

The update will also be provided for the Hon'ble Minister and to the Cabinet/Parliament through the CEO and Minister, when and where needed. It is the responsibility of the Department that relevant stakeholders undertook at every level the implementation and completion of the required activities.

CONCLUSION AND WAY FORWARD

To fulfil the purpose of this corporate plan, there is a need to strengthen the capacities of national trade stakeholders, particularly the NTSC and its sub-committees and the Department of Trade. A Capacity Building Plan was prepared as a part of the EIF Exit Strategy. The Exit Strategy comprises five pillars: (i) Restructuring of DOT; (2) Strengthening of NTSC; (3) Trade Mainstreaming; (4) Resource Mobilization; and (5) Capacity Development. Restructuring of DOT is the key for achieving the goals and mission of this Corporate Plan. The key highlights of DOT restructuring plan are presented in the Annex 1. DOT restructuring plan need to be implemented on a priority basis as outlined in the Policy Goal 1 in this Corporate Plan. However, other 4 Pillars of the Exit Strategy and Capacity Development Plan are also equally important for the success of DOT. Therefore, DOT will work closely with the stakeholders to implement the whole Exit Strategy and Capacity Development Plan.

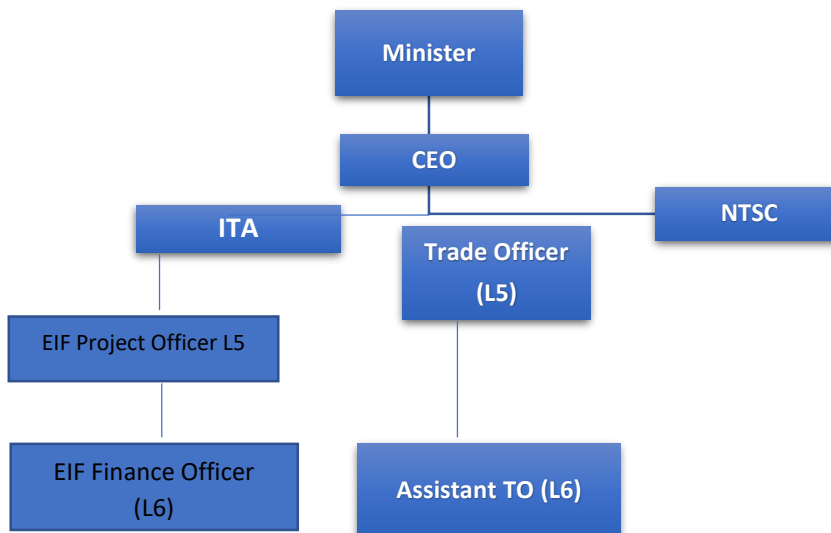
In addition, monitoring and evaluation of the key trade policy documents, including TK III, Trade Policy Framework, DTIS, and the Corporate Plan of the DOT, is crucial for achieving vision and mission of this Corporate Plan. All this need for further training and attachment for the staff to gain the skills and knowledge for quality reporting and providing of the right information and technical skills at all level. Trade is a very technical issues and have its own terms used interchangeably, therefore, it is important that the key stakeholders should adequately understand the global/regional trends and development in trade, relate the global trade issues and development in the context of Tuvalu, and appropriately conceptualize how Tuvalu products (goods and services) can be promoted in international markets and what need to be done to improve the productive capacities of potential economic sectors in which Tuvalu has a comparative advantage. In this context, training opportunities are crucial to build the capacity of the staff especially understanding the trade agreements, global trading system, international trade support measures for LDCs/Developing countries, trade related activities and cross-cutting issues, among others. Technical adviser in the area of trade related activities is paramount needed and as an advantage that contribute to the smooth implementation of this Corporate Plan.

ANNEX 1: DEPARTMENT OF TRADE RESTRUCTURING

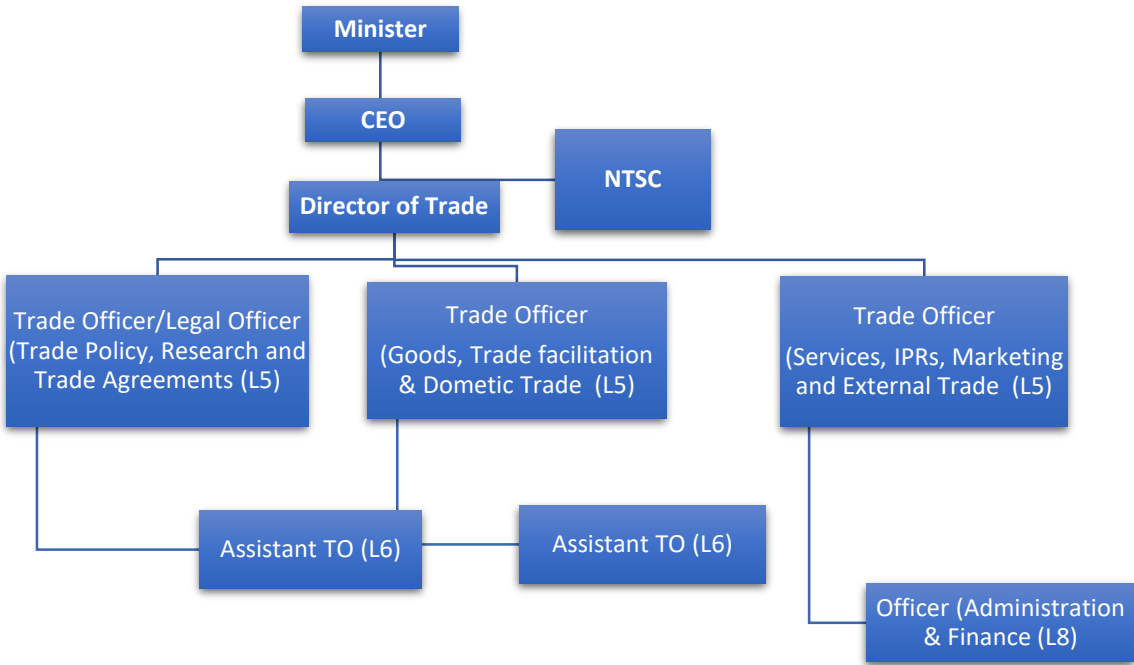
The Department of Trade is the core/focal entity for trade sector development in the country. The Department is responsible for trade promotion and development, trade negotiations, trade in goods and trade facilitation, formulation and implementation of trade related policies, public information and capacity building on trade matters. The core DOT functions are meant to contribute in national development agenda, particularly private sector development and economic growth by mainstreaming trade in all development-related activities across the key productive sectors of the economy - mainly agriculture, fisheries, tourism and labour mobility, identified as the priority export sectors in the Trade Policy Framework (TPF 2016) and Diagnostic Trade Integration Study (DTIS 2016). The department is also responsible for coordination of EIF programme activities in the country, implementation of EIF Tier 1 and Tier 2 projects and liaison with the stakeholders (private sector, outer islands, development partners, etc.) in trade and development matters.

In order for DOT to carry out its functions effectively, staff retention and motivation issues and the capacity gaps in the department need to be addressed. A key concern is ensuring sustainability of the capacity built and retaining key staff to ensure that the DOT can continue to operate efficiently and effectively. Ensuring staff retention will depend on a combination of monitoring staffing levels and needs, keeping staff motivated through training opportunities, overseas travel and exposure to new trade concepts and ideas and making sure that staff are fully utilized.

Presently, only two permanent staff positions are allocated in the department. In addition, two additional national EIF Tier 1 funded project staff and an International Trade Adviser are working in the department (see Figure 1 below) As such, the current structure of DOT is not fit for purpose with only two permanent staff positions.



New Proposed Department Structured



Under the new structure of the Department (Figure above), the Department will have a director (promotion of the current Trade Officer to the Director level), three trade officers, two assistant trade officers and a management and administration position. Two of the national EIF project staff positions (Project Officer and Finance Officer) will be absorbed into the new structure to ensure staff retention.

It should be noted that the proposed new structure of DOT is currently under review by the Ministry and the Human Resource Management. The Job description for each post has been drafted and also included in the actual exit strategy (Scaling up of Tuvalu Trade report).