

Enabling Social Innovation in Tonga



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Country Snapshot



Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ↓

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Tonga’s social innovation ecosystem.

- ✓ Direct focus on social innovation
- 🔗 Connected but indirect focus on social innovation
- ✗ No focus on social innovation

INSTITUTIONAL FRAMEWORK



Official Definition of Social Innovation 🔗

Public evidence of a formal national definition of social innovation was not identified. The clearest official use of the term appears in the Ministry of Internal Affairs corporate plan, which sets a vision to “lead the way in social innovation and development.”



Government Body for Social Innovation ✓

While Tonga does not appear to have a dedicated social innovation agency, two ministries are especially relevant. The Ministry of Internal Affairs leads core social-sector portfolios, including youth development, women and gender equality, social protection, disability, sports, and overseas employment. The Ministry of Trade and Economic Development supports the enabling environment for inclusive growth through enterprise development, cooperatives, MSMEs, labour market initiatives, and innovation and creativity functions.



Government Strategy for Social Innovation ✓

Tonga’s main strategic framework is the Tonga Strategic Development Framework 2015–2025. It promotes a more inclusive, sustainable, and knowledge-based economy, stronger public-private-community partnerships, and more empowering human development. While there is no standalone social innovation strategy, related priorities also appear in:

- the Ministry of Internal Affairs corporate plan, with a strong focus on wellbeing and inclusion; and
- the Tonga National E-commerce Strategy and Roadmap, which supports MSMEs, digital participation, and coordinated ecosystem development.



Policies, Laws & Regulations ✓ 🔗

Tonga’s policy framework is strongest in adjacent areas rather than in a dedicated social innovation law.

- The Co-operative Societies Act provides a legal basis for forming and regulating cooperatives.
- The Incorporated Societies Act offers a route for nonprofit incorporation.
- The Credit Unions Act 2021 provides an updated legal framework for licensed credit unions and inclusive savings and lending structures.

Together, these laws support community enterprise, nonprofit activity, and cooperative finance, which are important enabling conditions for social innovation.

Official Statistics



Public evidence of official statistics dedicated specifically to social innovation or social enterprise was not identified. However, Tonga does publish useful adjacent data. MTED reported 767 incorporated societies and 189 charitable trusts in FY2018/19. The Tonga Statistics Department maintains a Business Register Census to strengthen official business demographics and formal enterprise information.

Government Programs



Government support is visible through practical enterprise and community-development programs.

- The Ministry of Internal Affairs manages Youth Grants and is developing a Community Youth Hub pilot.
- MTED's FY2018/19 support included MSME assistance of up to T\$2,000 per project, equipment support for local manufacturers, and cooperative-store capital support of T\$6,000 each.
- The Government Development Loan Scheme, administered through the Tonga Development Bank, was established with a TOP\$13.3 million revolving fund and later received a further TOP\$5 million tourism top-up.

ECOSYSTEM

Stakeholders



Tonga's ecosystem is compact but active, with several institutions playing bridging roles.

- The Civil Society Forum of Tonga is the main umbrella body for civil society and includes a strategic focus on capacity building, research, and social enterprise modelling.
- The Tonga Chamber of Commerce & Industry convenes businesses around advocacy, networking, and business growth.
- MORDI Tonga Trust is a key actor in rural livelihoods, resilience, and community-oriented enterprise development.
- Tonga National University strengthens the skills base through vocational and higher education.

Support Initiatives



Support initiatives are strongest at the intersection of enterprise, resilience, and community development.

- The Pacific Greenpreneurs incubator and accelerator has supported green enterprises in Tonga, including seed funding and zero-interest repayable grants.
- An ILO-supported informal-economy recovery initiative helped women artisans and smallholders with market access, training, and business skills.
- MORDI's portfolio includes rural innovation and climate-resilience projects across Tonga's islands.

Collaboration



Collaboration is an important strength in Tonga's enabling environment. The national development framework promotes stronger public-private-community partnerships. Recent examples include Chamber-led dialogue with the Prime Minister and the multi-stakeholder governance approach behind the national e-commerce strategy.

FINANCE

Financing Schemes



Tonga’s financing landscape combines public lending, targeted grants, and development finance.

- The Government Development Loan Scheme remains a central public mechanism for MSMEs.
- The Asian Development Bank approved a \$9 million grant to expand access to finance for women entrepreneurs.
- Government budget documents also reference women-focused micro-loans and related support for income-generating activities.
- Development finance through MORDI-linked resilience and rural enterprise projects adds further ecosystem depth.

Financing Inclusivity



Financing inclusivity is a visible feature of the Tongan landscape. Support is targeted toward women, youth, smallholders, fishers, informal MSMEs, and rural communities. The Government Development Loan Scheme can support female and youth entrepreneurs, while major rural programs extend support across outer-island communities.

SOCIETY

Public Awareness of Social Innovation



Public awareness appears to be emerging through related fields rather than through a distinct national social innovation discourse. Visible themes include youth development, women’s empowerment, informal-economy livelihoods, rural resilience, and community wellbeing.

Research



Public evidence of a dedicated social innovation research centre was not identified. Even so, applied research is growing through civil society and rural-development actors, especially in agriculture, climate resilience, gender inclusion, and community development.

Education & Human Capital



Tonga National University provides a useful base for entrepreneurship and applied innovation skills, including courses in business, small business management, agribusiness, and work-based learning. Policy development is also progressing. Tonga has been developing its first National Employment Policy and National Apprenticeship Policy, with attention to youth employment and skills pathways.

Entrepreneurship



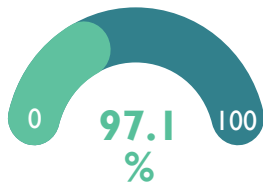
Recent source-verified Tonga entries for the Global Innovation Index, GEM, and comparable business-environment indicators were not identified.



---st
190 countries
**EIU Business
Environment
Ranking**



---th
133 countries
Innovation Capacity



**Social entrepreneurship
prevalence**

One contextual indicator is that 97.1% of employment is informal, highlighting the importance of practical support for microenterprise, cooperatives, and informal livelihoods.

Social & Environmental Consciousness

Environmental and resilience challenges are central to Tonga’s wider innovation context.



Solidarity

ND-GAIN places Tonga at rank 134, reflecting high climate vulnerability and the importance of adaptation readiness.



Political participation



Volunteering

The 2024 WorldRiskReport ranks Tonga 99th, reinforcing the value of resilience-oriented community innovation.



Sustainability

Tonga ranked 122nd in the 2024 Environmental Performance Index.