

Tonga Statistics Department

Statistical Innovation and Capacity Building Project in Tonga

Terms of Reference for TSA (Tourism Satellite Account) – Individual Consultant

Assignment:	TSA (Tourism Satellite Account) Consultant
Objective	Understanding the economic impact of tourism using the Tourism Satellite Account (TSA)
Employer:	Tonga Statistics Department, Kingdom of Tonga
Location:	Nuku'alofa, Tonga
Duration:	136 working days spread over a period of 15 months
Tentative Start Date:	May2022

I. Background

Tonga is one of the Small Island Developing States that is not only small but contains small islands within the small state, most isolated, and like other vulnerable nations of its kind – faces many development challenges. Small size and remoteness increase the costs and complexities of economic activity, public service delivery, and data collection. The geographical characteristics of the country also lead to a high vulnerability to natural disasters. These factors have led to an undiversified economy that is vulnerable to external shocks and dependent on financial transfers.

The Tonga Statistics Department (TSD) is Tonga's main government agency in terms of collection, processing and publication of economic and social statistics. With the increasing demand for data, TSD is trying to address data gaps and gather new data sources, and develop new statistics in order to assist with planning and policy making for the country.

To support in addressing these issues, particularly through the channel of strengthening public financial management, an IDA project to facilitate “Statistical Innovation and Capacity Building” has been initiated. The ultimate objective of this project is improving the comparability, accessibility, sustainability, and overall quality of statistics in Tonga.

One of the important components of this IDA Project is **Sub-component 1.3 data collection for economic statistics**.

The subcomponent will support the development and collection of data for the Tourism Satellite Account, which measures the size of the tourism sector in the Tongan economy, in accordance with relevant international standards. A ‘satellite account’ is a term developed by the UN to measure the size of economic sectors which are not defined as industries in the national accounts framework, while remaining consistent with the overall System of National Accounts. In the case of tourism, information from a variety of industries, including transportation, accommodation, food and beverages, recreation, entertainment, tour companies, and so on, is aggregated together to measure the overall importance of the sector.

Following the 2008 Recommended Methodological Framework issued by the UNSD, data will be collected to disaggregate overall tourism spending into expenditure by international visitors and expenditure by domestic tourists, with domestic spending further disaggregated into household tourism, government travel, and business travel. These data will be analyzed, and reports will be issued annually. The project will support this activity to hire a consultant with the requisite technical expertise, collect and analyze the data, and package the findings for policy makers.

Two major challenges facing tourism policy-makers, statisticians and researchers are : (i) how to present a rational, universally acceptable and technically sound definition of the tourism sector within clearly delineated boundaries; and (ii) how to more precisely measure the economic value-added and impact of the tourism sector. These challenges derive from the fact that the ‘tourism industry’ or the group of industries identified in the tourism sector does not exist as a distinct entity in the traditional national accounts or national statistical system. Consequently, the value added of the tourism sector has been consistently underestimated in traditional income accounting. One of the biggest limitations in the tourism sector is the absence of a reliable, thorough and internationally uniform statistical database from which one could measure the full economic impact of tourism.

The Tourism Satellite Account (TSA) initiated in the year 2000 by the United Nations World Tourism Organization (UNWTO) is a statistical accountant framework in the field of tourism and measures the goods and services according to international standards of concepts, classifications and definitions which allow valid comparisons from country to country in a consistent manner. A complete TSA contains detailed production accounts of the tourism industry and their linkages to other industries, employment, capital formation and additional non-monetary information on tourism.

Tourism Satellite Account (TSA) Background: Unlike other sectors in the economy, tourism activities and contribution to the national economy cannot be measured using standard economic methods.

TSA is a unique tool now available to policymakers in many countries to document the contributions of tourism to national economies. The TSA sets the international standard for measuring the role and contribution of tourism to an economy. By using this standard each TSA is constructed in precisely the same way, making the measurement of tourism activity consistent and comparable across states, countries and industries.

TSA helps sound planning, targeted strategies and short- and long-term planning.

II. Objective of the Assignment

Tonga Statistics Department (TSD) is looking to recruit a TSA consultant in addition to the RA to handle the TSA project in conducting of the following work and to support “data collection for economics statistics” projects.

TSA consultant is required to:

1. Identify inter-related areas and data, areas to include tourism accommodation, visitor expenditures, transportation (regional, international and domestic), food & beverages, handicraft industry, entertainment/cultural activities for tourists, economic linkages to other industries such as the Agricultural sector.
2. Establish and design appropriate TSA method of measuring direct economic contributions of tourism consumption to a national economy consists of unique set of interrelated tables.
3. Conduct workshop with stakeholders (either face-to-face in Tonga or through Zoom meeting), mid to late July in Nuku’alofa. Objectives of this workshop meeting are to give an update as well as outline work areas/scope and depth to be carried.
4. Complete all deliveries as noted in III Scope of services

III. Scope of Services

Phase 1. Commencement date: May 2022-April 2023

May-June 2022: Consultancy services

- Desk research.
- Literature and Industry review of TSA frameworks in other economies and of similar size to Tonga's economy and tourism industries.
- Review with the Tonga Statistics, Tonga Tourism and other department and agencies, on current data and resources available in these areas

Submit preliminary report early July 2022. (Report 1)

June-August 2022: Consultancy services

- Identification of inter-related areas and data. Areas to include tourism accommodation, visitor expenditures, transportation (regional, international and domestic), Food & Beverages, handicraft industry, entertainment/cultural activities for tourists, economic linkages to other industries such as the Agricultural sector.
- Establish appropriate TSA method of measuring direct economic contributions of tourism consumption to a national economy consists of unique set of interrelated tables.
- Conduct workshop with stakeholders (either face-to-face in Tonga or through Zoom meeting), mid to late July in Nuku'alofa. Objectives of this workshop meeting are to give an update as well as outline work areas/scope and depth to be carried.

August 2022 Nuku'alofa workshop

August- October 2022: Consultancy services

- Drafting of proposed Tonga TSA Framework.
- Identification of inter-related Tables and data. Areas to include: (Design and development of surveys and data mining processes).
- Design and develop appropriate structured Questionnaires for each area:
- Tourism accommodation tables.
- Visitor expenditures format and recommended tables.

(Submit Report 2)-late October 2022

November 2022- April 2023: Consultancy services:

- Design and develop appropriate structured Questionnaires/Surveys for the following areas:
- Transportation (regional, international and domestic) data and tables' format).
- Food & Beverages expenditures and tables/data.
- Handicraft industry expenditures pattern.
- Entertainment/cultural activities for tourists' expenditures and data/pattern.
- Cruise ship economic impact study
- Economic linkages to other industries such as the Agricultural sector.
- Other areas to be identified.

Conduct new surveys (to be jointly administered by Tonga Statistics and Tonga Tourism) using latest new data collection

(Report 3: April 2023)

Phase 2: May 2023- July 2023

- Consultancy services will continue to identify tourism impacts and linkages information as well as to implement surveys during Phase 2 as from May 2022 to April 2023. The expected outcomes from these surveys include cruise ship economic impact studies; accommodation surveys, transportation, economic impact of the handicraft industry, employment in the tourism industry, whale watch economic impacts and other studies deemed necessary for a more complete ongoing TSA for Tonga.

(Report 4: July 2023)

IV. Institutional and Organization Arrangements

The TSA Consultant will be hired by The TSD and will be posted in the TSD, where office space and facilities will be provided. The TSA Consultant is expected to reside in Nuku'alofa, Tonga. Some flexibility to accommodate previous or ongoing commitments and the current Covid-19 situation may be provided to the successful candidate. The TSA Consultant will be serving in country (Tonga) as well as remotely. The TSA Consultant will report to the Government Statistician (GS) or whomever the GS has delegated to be responsible officer for the TSA Consultant. The GS or assigned officer will act as coordinator of the TSA Consultant in a task supervisory capacity.

V. Selection Criteria - Desired Skills, Qualifications and Experience

The following expertise and level of experience is required of the TSA Consultant:

- Master's degree or PhD in economics, statistics or other related field
- At least Six years of professional experience for a Master's degree holder or Two years' professional experience for a PhD holder in similar assignments
- Advanced Experience in work related to Tourism industry of Tonga;
- Experience with planning, implementing, and managing of survey relevant for TSA;
- Experience with microdata analysis using any statistical software
- Excellent verbal and written communication skills in English;
- Strong management skills in a diverse (cultural and technical) work environment;
- Experience working with development partners such as WB, ADB, and DFAT would be an advantage.

Scoring

CVs of eligible candidates that meet the minimum requirements will be scored according to the following criteria:

Criteria	Maximum score
1) General qualifications (general education, training, and experience):	20
2) Adequacy for the Assignment (relevant education, training, experience in the sector/similar assignments)	60
3) Management skills in a diverse (cultural and technical) work environment and Experience working with development partners such as WB, ADB, DFAT	20

VI. Duration of the Assignment

This is a 15-month assignment starting in May2022.

VII. Reporting Obligations

The TSA Consultant is responsible for ensuring the timely completion of the outputs mentioned above in part III - Scope of services.

VIII. Selection Method

The TSA consultant will be selected through the “Individual Consultant Selection method” in accordance with the World Bank Procurement Regulations for IPF Borrowers Procurement Regulations of November 2020.