



TERMS OF REFERENCE

Activity Title:	Tonga Digital Trade Accelerator for MSMEs - Building Business Capability for Online Trade
Estimated Duration:	6 months
Estimated Budget:	70,000 AUD
Location:	Remote with travel to Tonga
Estimated Start Date:	August 2026
Reporting to:	Trade in Services and Investment Adviser

I. BACKGROUND

The Pacific Agreement on Closer Economic Relations (PACER) Plus aims to support sustainable economic development across the Pacific by improving trade opportunities, strengthening productive capacity, and increasing participation of Pacific businesses in regional and international markets.

Under the Trade in Services work programme, PACER Plus supports Parties to strengthen the enabling environment for digital trade and e-commerce while improving the competitiveness of micro, small and medium-sized enterprises (MSMEs).

Over the past five years, Tonga has undertaken significant work to strengthen its digital economy and e-commerce ecosystem. This includes the National E-Commerce Readiness Assessment (2019), Tonga E-Commerce Strategy and Roadmap (2021), Readiness Assessment for Cross-Border Paperless Trade (2022), Inclusive Digital Economy Scorecard (2022), Digital and Financial Literacy Survey (2023), and sector-specific E-Commerce Toolkits for the Food, Kava and Tourism industries (2024). Together these initiatives have identified the policy reforms, institutional arrangements, business capabilities and digital infrastructure required to support digital trade and e-commerce in Tonga.

The next phase of support is to move beyond readiness assessments and strategic planning towards practical implementation. While businesses have access to guidance and training materials, many continue to face challenges in establishing an online presence, adopting digital payment systems, marketing products online, managing logistics and converting digital engagement into sales.

This project will support a selected cohort of Tongan MSMEs through a structured business acceleration programme that combines diagnostics, technical assistance, mentoring and practical implementation support. The project will also generate lessons and recommendations for scaling business digital transformation across Tonga.

II. OBJECTIVE & SCOPE

The main objectives of the consultancy are to:

- Strengthen the capacity of selected Tongan MSMEs to establish and grow online sales.
- Increase the adoption of digital commerce tools, digital payments and online marketing by participating businesses.
- Demonstrate practical business models that can be replicated nationally to support wider MSME digital transformation.

To achieve the above objectives, the Consultant/cy is required to:



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- i. Assist the Ministry of Commerce, Consumer, Trade, Innovation & Labour (MCCTIL) to develop selection criteria and recruit 30 MSMEs, prioritising MSMEs in the food, kava, and tourism industries.
- ii. Conduct a digital business diagnostic for each MSME and prepare an individual Digital Trade WorkPlan.
- iii. Use the sector-specific E-Commerce Toolkits for the Food, Kava and Tourism industries (2024) and provide practical coaching and technical support to help businesses establish or strengthen online trading, including digital sales channels, digital payments, marketing, customer engagement, and delivery.
- iv. Deliver targeted workshops and peer-learning sessions to support common business needs.
- v. Monitor business progress using agreed indicators, including online presence, customer engagement, digital payment use, and online sales or bookings.
- vi. Document lessons learned, business case studies and recommendations for scaling the initiative nationally.
- vii. Ensure all activities promote gender equality, disability inclusion, and participation of women, youth and outer island businesses.

III. DELIVERABLES

The Consultant will deliver the following outputs:

1. **Inception Report and Work Plan**, including the implementation methodology, business selection criteria, digital business diagnostic tool, monitoring framework, stakeholder engagement plan, and detailed work plan.
2. **Business Selection and Diagnostic Report**, including:
 - o the list and profiles of participating MSMEs;
 - o completed digital business diagnostics for each participating business; and
 - o an Individual Digital Trade Work Plan for each participating MSME.
3. **Business Implementation Report**, demonstrating:
 - o delivery of coaching and technical assistance to participating businesses;
 - o establishment or strengthening of online trading capability, including digital sales channels, digital payments, digital marketing and customer engagement;
 - o delivery of workshops and peer-learning sessions; and
 - o progress against agreed performance indicators.
4. **Final Report**, including:
 - o project outcomes and achievements;
 - o business case studies and success stories;
 - o lessons learned;
 - o recommendations for scaling the initiative nationally; and
 - o a sustainability plan identifying actions for MCCTIL and partners to continue supporting MSME digital trade development.

All outputs shall be provided in Microsoft Office formats or other formats agreed with the PPIU.

IV. TIME AND PAYMENT SCHEDULES

The Activity shall be completed within a period of no longer than six (6) months, according to the indicative timeframes below. Exact commencement and completion dates, as well as the scope of work, may be amended in consultation with the PPIU and the MCCTIL.



Nr.	Deliverables	Indicative Time Frame (delivered by)	Payment Schedule
1.	Inception Report and Work Plan , including implementation methodology, business selection criteria, digital business diagnostic tool, monitoring framework and detailed work plan.	2 nd week August 2026	20%
2.	Business Selection and Diagnostic Report , including the list of participating MSMEs, completed digital business diagnostics, and Individual Digital Trade Work Plans.	End of September 2026	30%
3.	Business Implementation Report , demonstrating delivery of coaching and technical assistance, establishment or strengthening of online trading capability, workshops and peer-learning sessions, and progress against agreed performance indicators.	End of December 2026	40%
4.	Final Report , including project outcomes, business case studies, lessons learned, recommendations for scaling the initiative nationally, and a sustainability plan.	End of January 2027	10%

Note: Travel expenses for the Consultant(s) are included in the Consultancy Fees. Costs for stakeholder consultations must have prior approval from the PPIU and must follow the PPIU Procurement Policy.

V. REPORTING:

- The Activity will be supervised by the Trade in Services and Investment Adviser and the Trade Division of the Tonga MCCTIL and will hold responsibility for guiding progress and technical advice on delivering the activity.
- The Consultant is required to report to the Trade in Services and Investment Adviser and the Trade Division of the MCCTIL, who will ensure that the deliverables are submitted according to the indicated timeframes and quality standards.
- Regular discussions with the Trade in Services and Investment Adviser and the Trade Division of the MCCTIL will also be carried out during the consultancy period to monitor progress and constraints, support required and proposed solutions.

VI. QUALIFICATIONS, SKILLS AND EXPERIENCE REQUIRED OF CONSULTANT(S)

Preference will be given to Tongan nationals or Tongan consultancy firms. Where the required expertise is not available nationally, suitably qualified regional consultants or consultancy firms with demonstrated experience in Tonga and the Pacific Islands region may be considered.

1. Qualifications

A tertiary qualification in Business, Marketing, Digital Commerce, Information Systems, Information Technology, Economics, International Trade, Entrepreneurship, or another relevant discipline.



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2. Skills and Experience

- Extensive demonstrated experience in digital trade, e-commerce, digital business transformation, MSME development, business advisory services, or a related field.
- Proven experience in designing and delivering business capability development programmes, including one-on-one coaching and mentoring for MSMEs.
- Demonstrated experience in establishing or supporting online sales channels, digital marketing, digital payment solutions and customer engagement strategies.
- Strong understanding of digital business tools, social media marketing, e-commerce platforms and digital payment systems relevant to small businesses.
- Experience working with government agencies, business support organisations and private sector stakeholders.
- Demonstrated experience delivering similar assignments in the Pacific Islands region, preferably in Tonga.
- Strong project management, facilitation, analytical and report writing skills.
- Excellent communication and interpersonal skills, with the ability to work effectively with businesses of varying levels of digital capability.
- Excellent command of written and spoken English. Knowledge of Tongan language and business culture will be an advantage.
- Good understanding of the Tongan private sector, including the opportunities and challenges facing MSMEs in adopting digital trade and e-commerce.