

Corporate Plan

In November 2014, the Board of Directors approved the Corporate Plan 2015-2017. The Corporate Plan is a three year rolling plan, from January 2015 through to December 2017, running on a calendar year thus overlapping with the Reserve Bank's financial year. Following the implementation of the NRBT Corporate Plan 2015-2017, at the end of December 2016, Management reviewed and assessed the Bank's performance and the level of achievement after the second year of implementing the Corporate Plan and its key Strategic Priorities.

With the assistance of an independent reviewer, the review of the Corporate Plan showed that overall the Bank has achieved 69% of the 215 Corporate Plan targets for 2015-2017 within the second year of implementation. This is slightly below the 73% achieved in the previous year. Some of the items that were not achieved were attributed to other priorities, capacity constraints and matters that were out of the NRBT's control such as the passing of the Non-bank supervision bills (microfinance, foreign exchange dealer, the drafting of a Payment System Act was delayed, the formulation of the Financial Inclusion National Strategy due to other priorities). Some of the unachieved items are work in progress such as continuous research into guidelines for banks to lend to MSMEs and developing the Financial Markets auction system. The remaining 31% was re-prioritised and scheduled for the third year of the Plan and to be completed by June 2017.

Management team also reviewed the targets and strategies and updated the Corporate Plan 2015-17 to Corporate Plan 2017/18 – 2018/19 to be reviewed in December 2017. The Corporate Plan for the FY 2017/18 targets has increased from 215 in 2015/16 to 400 targets in 2017/18. The increase in the corporate plan targets reflects the separation of the Settlements unit from the Accounts department as a new unit. The Risk Unit is now more pro-active with one staff to undertake some internal audit functions. The Financial Inclusion initiatives have also increased to reflect the NRBT Amendment Act 2017 Section 4. The development of the financial markets and the implementing of the IMF technical assistance recommendations to strengthen the monetary policy transmission mechanism are also some of the new targets. The implementing of the draft bills such as the Foreign Exchange Control bill, the microfinance bill and the money lender bill have also been included as targets in the corporate plan.

Management will continue to align staff behaviours with the Bank's values. This is not only in maintaining a culture of high performance that supports achieving the strategic priorities set out in the Corporate Plan but also in positioning the National Reserve Bank of Tonga as an effective and dynamic central bank in promoting Tonga's economic prosperity

CORPORATE PLAN STRATEGIC PRIORITIES



STRATEGIC PRIORITY 1

- Set a Platform for Tonga Becoming a High-Growth Economy

STRATEGIC PRIORITY 2

- Develop Tonga's Financial Markets

STRATEGIC PRIORITY 3

- Become the Employer of Choice

STRATEGIC PRIORITY 4

- Modernize the Operations of the Bank