



# Starting a Business in Tonga

Ministry of Labour, Commerce & Industries

## Obtaining a Licence for Flammable Goods Outlets

### 1.0 Overview

A firm that is classified as a “flammable goods outlet” and that wishes to engage in services that utilize flammable goods is required by the Business Licence Regulations of 2006 to obtain a “letter of approval from the Fire Department” before being issued a Business Licence by the Ministry of Labor, Commerce, and Industry (MLCI). The letter is issued by the Chief Fire Inspector upon recommendation of the Fire Department’s Prevention Unit after an inspection.

The governing legislation concerning the issuing of approvals from the Fire Department is the Fire Service Act of 1988, which grants the Minister of Police broad powers to “assess fire risk.”

Additionally, the Petroleum Act and subsequent Regulations of 1988 allow for licensing of petroleum goods by the Minister of Police in the interest of public safety. There is no definition in law for what a “flammable good” is, but in practice it has meant chemicals, petroleum, LPG, and even liquor.

### 2.0 Powers of the Ministry

#### 2.1 General Powers

The Fire Services Act gives the Minister of Police the ability to “delegate all or any of his powers and functions under this Act, other than this power of delegation, to a Fire Officer.” The Minister of Police delegated the power to issue approvals to the Chief Inspector on October 24, 2008. Under the Act, the Minister can terminate this delegation at will, and in theory the Minister of Police retains the power to decide approvals in the interest of public safety. However, in practice, all approvals run through the Fire Department with the Minister only copied in on approval letters.

#### 2.2 Licensing

In order to receive a letter of approval from the Fire Department, the Department must conduct an on-site inspection of the facilities. The inspection assesses any potential danger to life or property from fire, in or on that land or facility, and depending on the type of business proposed, applicable checklists developed by the

Department will be used to document the site inspection. These safety standards can be obtained from the Fire Prevention Unit directly. Applicants are notified in writing if they have passed or failed.

Storage of petroleum requires a further licence from the Ministry of Police. This licence requires that an applicant specifies:

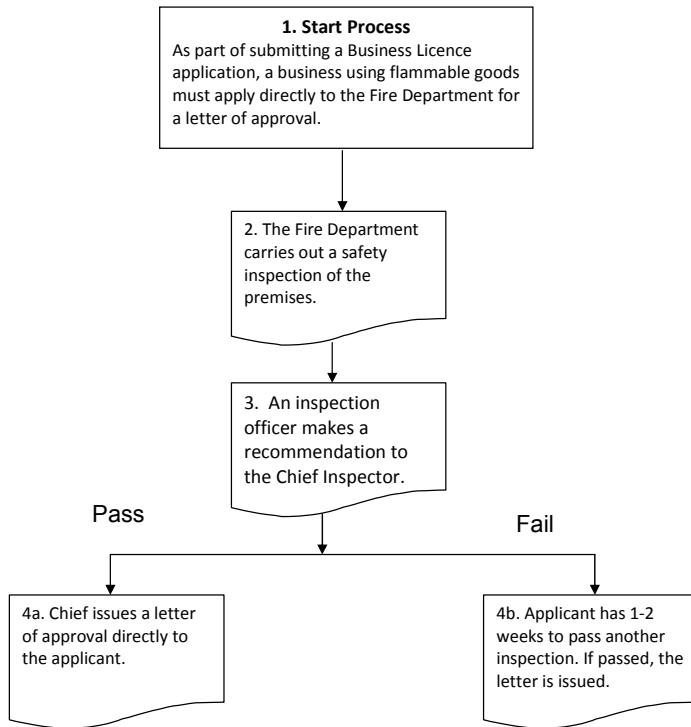
- a) description, quantity and manner of storage;
- b) name and locality of premises;
- c) quantity to be kept in each tank or magazine.

In any case where quantity exceeds 5000 gallons, the applicant must also:

- a) furnish a plan showing all premises within 100 feet; and
- b) any other particulars required by the Minister of Police shall be furnished.

If the flammable goods outlet is liquid, gaseous, chemical, oil, or a petroleum refinery, storage, or waste processing works, a Letter of Approval from the Department of Environment must also be applied for. The same contents of the above letter can be used to apply for such a Letter to the CEO for Lands, Survey and Natural Resources. This is

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to ensure compliance with the Environmental Impact Assessment Act of 2003.

In general, the receipt of a letter of approval for flammable goods (without petroleum storage of Environment approval) takes approximately 2-3 days from receipt of the application.

### 2.3 Fees

There are no costs for applying for the Letter of Approval from the Fire Department, as the assessment and inspection are free of charge at present (this may change in the future). However, if the substance is petroleum then the Petroleum Regulations of 1988 Clause 48 is applicable, and there is a licence fee schedule. The Ministry of Police issues this Licence to Possess Petroleum.

The fee for a licence for petroleum is as follows;

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|---|------|
| tank or magazine with capacity of 200 gallons or under                                  | 0.50 |
| tank or magazine with capacity of more than 200 gallons and not more than 1,000 gallons | 1.00 |
| tank or magazine with capacity of over 1,000 gallons                                    | 4.00 |

## 3.0 Licence Application Process

### 3.1 Overview

Applications are processed at the Fire Department in Nuku'alofa. Applications

must be made in person in Tongatapu, no matter where the business is to be located, but inspections for the outer islands are carried out by the Fire Department office located on that island group (there are Departments in Tongatapu, Vava'u, Ha'apai, and 'Eua). The letter can only be issued by the Chief, and the issuance of the letter is made directly to the applicant (the Chief also sends a copy to the Minister of Police).

### 3.2 Process Flow

The chart above shows the steps that an applicant must follow in order to obtain a letter of approval from the Fire Department. The information below explains each step in the process.

### 3.3 Narrative Accompanying Process Flow

The following provides a box-by-box narrative related to the flow chart above.

**3.3.1 – Box 1.** As part of the process for obtaining a business licence from MLCI, firms using flammable goods are advised to write to the Chief Fire Officer and request a fire inspection, in order to obtain an approval letter. This letter is necessary by the Business Licence Act.

**3.3.2 – Box 2.** Based on the application letter, the Prevention Unit of the Department carries out a safety inspection of the facilities and its

safety equipment in accordance with established safety standards.

**3.3.3 – Box 3.** If the inspection officers are satisfied with the safety measures in place, they will recommend to the Chief Inspector for approval or denial.

**3.3.4 – Box 4a.** Based on the recommendation and successful completion of the inspection, the Inspector issues the approval directly to the applicant.

**3.3.5 – Box 4b.** In the case of further improvements required or if a business does not pass the inspection, an applicant is given 1-2 weeks to comply with the safety requirements. The applicant will advise the Prevention Unit when this is complete, and a Final Inspection will be carried out. Upon satisfactory confirmation of compliance, the letter of approval can be issued.

## 4.0 Renewals

The renewal process coincides with the Business Licence renewal, and firms involved in flammable goods must be subjected to an annual inspection. Upon receipt of a renewal for a business licence, the MLCI will advise the Fire Prevention Unit to carry out the annual safety inspection of the applicant's premises. Satisfactory completion will allow for renewal.

**This is not a legal document and is provided solely for reference. Processes are subject to change.**

### Contact Information

In order to receive a letter of approval from the Fire Department, contact:

Mr. Lofia Heimuli  
Chief Fire Officer

**Phone:** 23-329 (office)  
58-621 (mobile)