

# Agricultural Exports Volume

## May 2017

Release date: 3<sup>rd</sup> August 2017

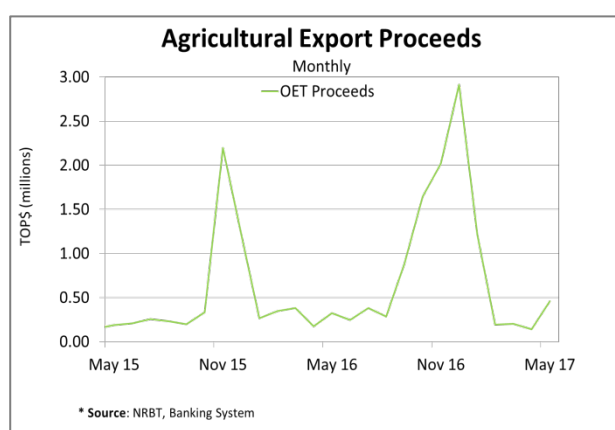
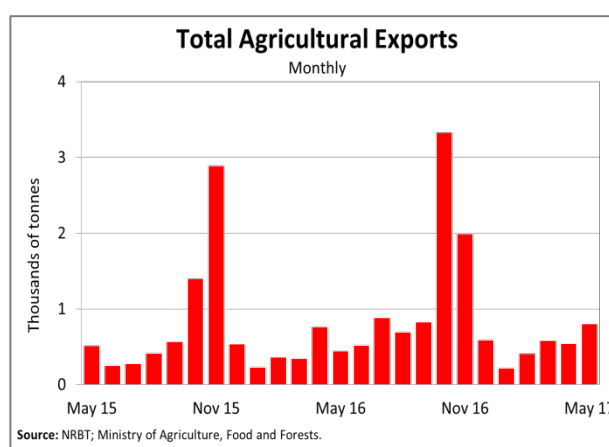
	May 17	Apr 17	Mar 17	Feb 17
Total volume (tonnes)	800.4	537.5	583.1	407.1

### Better month for harvest of root crops

The month of May recorded good harvest of root crops, the highest contributor to the overall increase in agricultural exports. The agricultural exports rose by 262.9 tonnes (48.9%), led by 161.9 tonnes increase in exported root crops. This was due to an increase in all exported root crops such as yam, taro, and cassava, except for sweet potato which slightly declined by 0.6 tonnes (48.1%).

Additionally, according to an update from the Ministry of Agriculture, Food, and Forestry (MAFF), four containers of watermelon were exported to New Zealand during the month, a total of 93.0 tonnes. Tonga exports watermelon to New Zealand starting in late April to November every year. Moreover, the total exports of coconuts rose by 68.9 tonnes (164.1%), and brown coconut recorded the highest volume of export so far this year at 97.5 tonnes. Moreover, despite the shortage of kava-Tonga supply, exports increased by 3.7 tonnes (61.6%) surpassing the past four months of 2017 at 9.6 tonnes. But it is still less than the average 13.8 tonnes per month exported in the 2015/16 financial year.

These favourable exports outweighed the decline in exported mulberry juice, breadfruit, plantain, and chestnut which are all attributed to seasonality of local produce.



The agricultural export proceeds received slightly increased by \$0.3 million (229.6%) to \$0.5 million which coincided with the significant rise in exports during the month. Accordingly, \$0.2 million of the proceeds were payments for exported root crops followed by \$0.1 million for kava.

Over the year, the total agricultural export volume rose by 2,905.8 tonnes (34.4%), supported by better harvest of root crops, the favourable squash, watermelon, and breadfruit season. These offset the decline in exports of kava-Tonga, coconuts, sandalwood, vanilla, and onion, over the year. The continuous support from the Government's development loan scheme also supported the growth in the agricultural sector, with a rise of \$2.5 million (31.1%) growth in loans to the agricultural sector. The annual agricultural export receipts also rose by \$4.4 million (72.3%) to \$10.6 million. The higher export receipts were for squash and crops (root crops and traditional crops), supported by the strengthening of the Japanese Yen and US dollar against the Tongan Pa'anga.

On the outlook, the Reserve Bank anticipates that the volume of exports will continue to increase in the near term supporting the expected growth in the agricultural sector. The year 2016/17 has seen better weather conditions than that of the previous years which will likely have favourable effects on the agricultural sector's growth. In addition, the signing of the Pacific Agreement on Closer Economic Relations (PACER) Plus trade agreement scheduled for June 2017 may contribute to growth in the sector. On the downside, the export of Kava Tonga will continue to decline due to its low supply as a result of the drought in 2015 which also affected the kava rootstock.

Total Agricultural Export Volumes by Major Categories							
Tonnes							
	Month-ended*				Year-ended		Memo: Share
	May 17	Apr 17	Mar 17	May 16	May 17	May 16	
Total	800.4	537.5	583.1	440.5	11,356.8	8,450.9	100
Fruit products	215.5	117.4	107.5	175.4	5,672.3	5,657.0	49.9
Root vegetable products	571.7	409.8	465.0	248.4	5,566.5	2,599.0	49.0
Other vegetable products	3.6	4.4	3.3	2.2	30.3	18.0	0.3
Sandalwood	0.0	0.0	0.0	0.0	-	0.7	0.0
Vanilla	0.0	0.0	0.0	0.0	2.4	5.9	0.0
Other**	9.6	5.9	7.2	14.5	87.7	176.1	0.8

\* Series is volatile due to seasonality of crops  
\*\* Includes kava products and coffee beans.  
Source: Ministry of Agriculture, Food and Forests.