

Marine Exports Volume

August 2016

Release date: 8 February 2017

	Aug 16	Jul 16	Jun 16	May 16
Total Volume (metric tons)	259.2	272.5	72.8	176.8
Tuna	235.5	248.8	63.7	161.8
Snapper	12.6	9.6	9.1	7.2
Others	11.1	14.1	-	7.8
Aquarium Products (pieces)	4,380	13,031	12,468	12,995

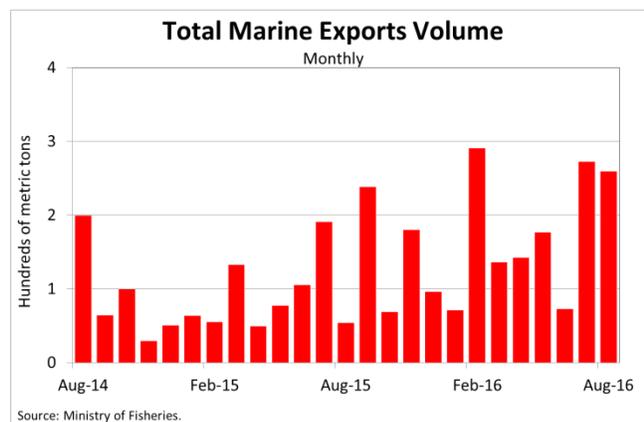
Note: Numbers may not add up to the total volume due to rounding error.

Decline in invertebrate exports driving lower aquarium products

Marine exports

Total volume of marine exports¹ remained high although it declined over the month by 13.3 metric tons (4.9%) to 259.2 metric tons. This was much higher compared to only 54.2 metric tons exported in August 2015.

The decline in the exports of tuna and shark meat during the month of 13.4 metric tons (5.4%) and 3.0 metric tons (21.4%) respectively offset a 3.1 metric tons (31.8%) increase in snapper exports. The adverse weather conditions during the month impacted the catch rates compared to the previous month. There were no exports recorded for the rest of the categories in August 2016.

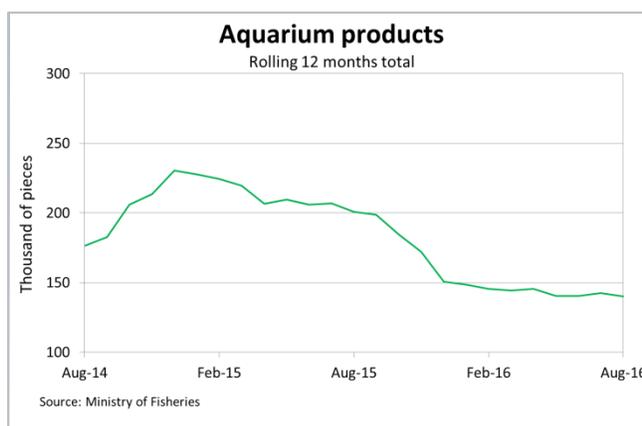


¹ Excluded aquarium products

In the year ended August 2016, the total marine exports increased by more than double compared to that of August 2015. This was driven mainly by higher exports of tuna, snapper and shark meat which increased by 220.8 metric tons (155.8%), 6.7 metric tons (45.1%), and 11.1 metric tons (66.1%) respectively. This outweighed a decline in exports of seaweed (33.6 metric tons). The improved weather conditions and the increasing number of fishing vessels during the year contributed to the annual growth.

Aquarium exports

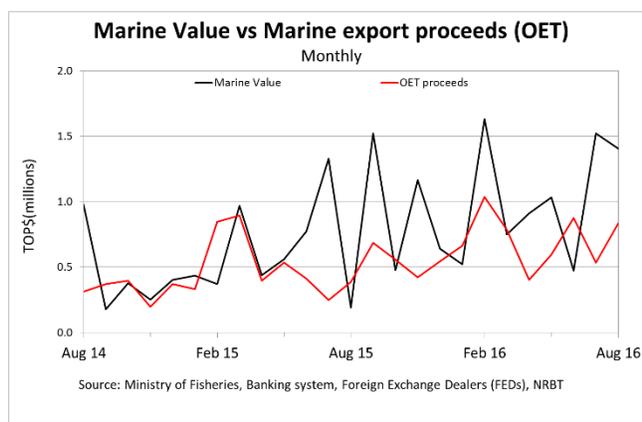
A significant decline in total aquarium exports over the month by 8,651 pieces (66.4%) was due to a decrease in all aquarium categories. The major categories were invertebrate which declined by 4,183 pieces (66.3%), live hard coral decreased by 2,008 pieces (71.5%) and soft coral products fell by 1,295 pieces (56.7%). The export of aquarium products largely reflects lower demand from the overseas markets.



Similarly, total export volume of aquarium products fell over the year by 60,866 pieces (30.3%). This was largely attributed to lower exports of invertebrate (58,482 pieces), live fish (3,423 pieces), live hard coral (1,333 pieces) and shellfish (913 pieces).

Exports Proceeds

The total proceeds for fisheries and other marine exports received through the banking system and foreign exchange dealers was \$0.83 million in August 2016, an increase of \$0.30 million (55.8%) compared to July 2016. The Ministry of Fisheries, on the other hand, estimated the value of monthly export proceeds to be \$1.41 million in August 2016. This implies export proceeds of \$0.58 million are being unaccounted for.



Total marine export proceeds increased by \$2.5 million (47.1%) over the year, which was in line with the higher total export volume. The US, Japan and Hawaii remained the main export countries for fisheries and aquarium products exports. The strengthening of the US dollar and the Japanese Yen against the Tongan pa'anga supported the higher export receipts.

Outlook

The National Reserve Bank of Tonga (NRBT) expects the fisheries sector will continue to grow, with tuna exports being the main contributor. The Ministry of Fisheries plans to expand the pearl industry, and new markets available for seaweed exports in the coming year which would contribute to the expected 2.0% growth in the fisheries sector for 2016/17. This is supported by the first Fisheries Sector Plan, recently approved by Cabinet. The key focal points included in this plan are to develop the Special Management Areas program, particularly on coastal and commercial fisheries and also the economic development of commercial fisheries and aquaculture. This sector also continues to benefit from the consumption tax and custom duty exemptions on oil and fishing gear, as well as the Fisheries Development and Export Fund (FDEF) initiatives by the Government through its Government Development Loan facility, which is facilitated by the Tonga Development Bank. The Ministry of Fisheries is also negotiating with one of the donors for loan guarantee funds to increase the amount of loan funds available to fishing enterprises with limited loan collaterals. The introduction of the Air New Zealand Boeing 777-200 aircraft provides extra capacity for more exports volume going forward.

Amendments to the Foreign Exchange Control Act are being drafted which include the establishment of a framework for the return of proceeds of exports of goods and services rendered in Tonga. This would support protecting the foreign reserves.

	Marine Export Volumes				Year-ended		Share of total Sample ave.
	Aug 16	Jul 16	Jun 16	May 16	Aug 16	Aug 15	
Total Marine Products (in metric tons)	259.2	272.5	72.8	176.8	2,004.3	973.4	100.0
Shark Meat	11.1	14.1	-	7.8	66.9	40.3	3.3
Snapper	12.6	9.6	9.1	7.2	102.0	70.3	5.1
Tuna	235.5	248.8	63.7	161.8	1,818.2	710.7	90.7
Others	-	-	-	0.0	17.1	152.1	0.9
Total Aquarium Products (in pieces)	4,380	13,031	12,468	12,995	140,161	201,027	100.0
Livefish	427	1,166	1,399	537	12,613	16,036	9.0
Invertebrate	2,125	6,308	6,459	5,983	80,033	138,515	57.1
Live Hard Coral	800	2,808	2,803	4,161	26,679	28,012	19.0
Shellfish	40	466	50	198	3,553	4,466	2.5
Soft Coral	988	2,283	1,757	2,116	17,283	13,998	12.3