

Marine Exports Volume

October 2016

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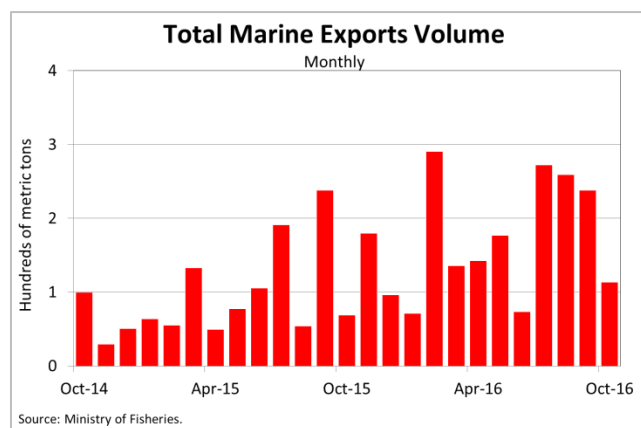
	October	Sep 16	Aug 16	Jul 16
Total Volume (metric tons)	113.3	238.2	259.2	272.5
Tuna	102.5	219.5	235.5	248.8
Snapper	7.3	13.36 ¹	12.64	9.6
Others	3.5	5.4	11.1	14.1
Aquarium Products (pieces)	6,350	9,614 ²	6,893 ³	13,031

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

Declining is a normal trend for October

Marine exports

The exports of marine products⁴ continued to decline from the previous month. This trend for October is similar to October of the 2 previous years. In October 2016, 113.3 metric tons was recorded, 124.9 metric tons (52.4%) lower than that of September 2016. The exports of tuna declined the most by 117.0 metric tons (53.3%), followed by snapper and shark meat which fell by 6.1 metric tons (45.5%) and 2.0 metric tons (36.4%) respectively. Reef fish was the only category amongst the other groups that recorded export of 0.1 metric tons.



Higher exports of tuna, shark meat and snapper during the year contributed to an annual growth of 933.6 metric tons (83.6%) in total marine exports. Tuna exports remained the main driver for the growth over the year, increasing by 900.5 metric tons (94.4%). This

¹ Revised upward due to an upward revision of snapper exported volume

² All categories of the Aquarium products were revised upward

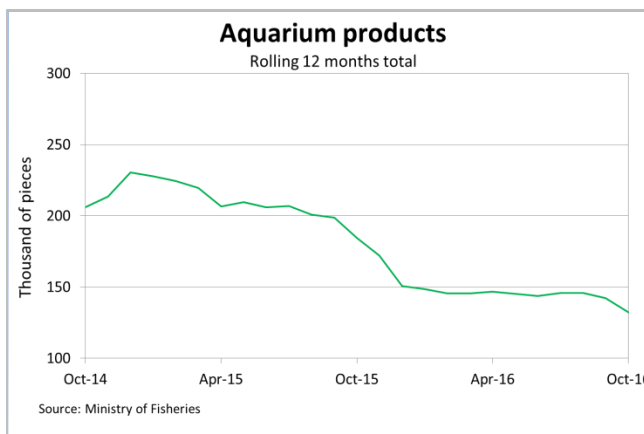
³ Revised upward due to an upward revision of snapper exported volume

⁴ Excluded aquarium products

outweighed a decrease in the exports of seaweed, reef fish, shark fin and crustacean. According to the liaison with the sector, the weather conditions during the year and the increasing number of fishing vessels supported the annual growth.

Aquarium exports

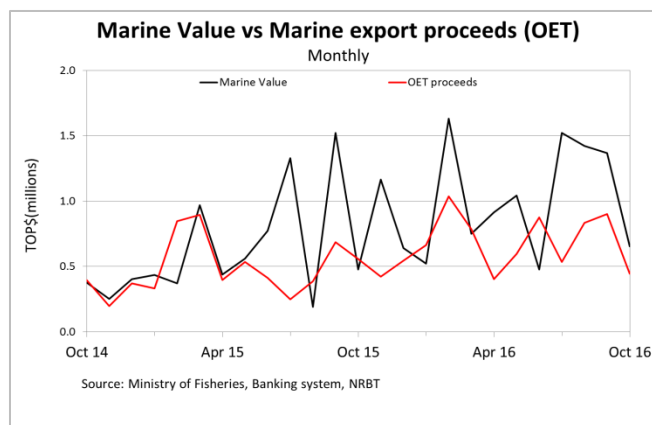
Total aquarium exports declined over the month by 3,264 pieces (34.0%) due to decrease in major exported categories of aquarium. The major categories were invertebrate which declined by 1,959 pieces (38.8%), and live fish decreased by 917 pieces (67.1%). Soft coral and live hard also decreased by 278 (20.3%) and 230 pieces (12.9%) respectively. This outweighed an increase in shellfish which recorded a 160 pieces exported compared to 40 pieces last month.



Similarly, total exported quantity of aquarium products fell over the year by 52,209 pieces (28.3%). This was largely attributed to lower exports of invertebrate (46,149 pieces), live fish (8,608 pieces), and shellfish (2,536 pieces). On the other hand, exports of soft and live hard corals increased over the year.

Exports Proceeds

The Ministry of Fisheries estimated the value of monthly export proceeds to be \$0.7 million in October 2016, however only \$0.4 million were received through the banking system and foreign exchange dealers for export of fisheries and other marine products. The estimated \$0.3 million difference represents export proceeds that have not been returned to Tonga. The proceeds in October 2016 were \$0.5 million (50.7%) less than that of September which is in line with the decline of both total marine and aquarium exports.



Over the year, the 83.6% growth in total marine exports coincided with a \$2.2 million (37.0%) rise in the total proceeds received. The strengthening of the US dollar and the Japanese Yen against the Tongan pa'anga supported the higher export receipts during the year, as the main export countries are the US, Japan and Hawaii.

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 would contribute to the expected 5.3% growth in the fisheries sector for 2016/17. This is supported by the first Fisheries Sector Plan that the Ministry of Fisheries is determined to implement. 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 Loans, 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 businesses with limited loan collateral.

	Marine Export Volumes						
	Oct 16	Month-ended			Year-ended		Share of total Sample ave.
		Sep 16	Aug 16	Jul 16	Oct 16	Oct 15	
Total Marine Products (in metric tons)	113.3	238.2	259.2	272.5	2,049.9	1,116.3	100.0
Shark Meat	3.4	5.4	11.1	14.1	71.5	34.8	3.5
Snapper	7.29	13.36	12.6	9.6	107.5	79.4	5.2
Tuna	102.5	219.5	235.5	248.8	1,853.9	953.5	90.4
Others	0.1	0.0	-	-	17.1	48.7	0.8
Total Aquarium Products (in pieces)	6,350	9,614	6,893	13,031	132,332	184,541	100.0
Livefish	449	1,366	731	1,166	10,409	19,017	7.9
Invertebrate	3,092	5,051	2,812	6,308	73,796	119,945	55.8
Live Hard Coral	1,558	1,788	1,769	2,808	27,433	26,892	20.7
Shellfish	160	40	40	466	2,894	5,430	2.2
Soft Coral	1,091	1,369	1,541	2,283	17,800	13,257	13.5

Source: Ministry of Fisheries