

Marine Exports Volume May 2017

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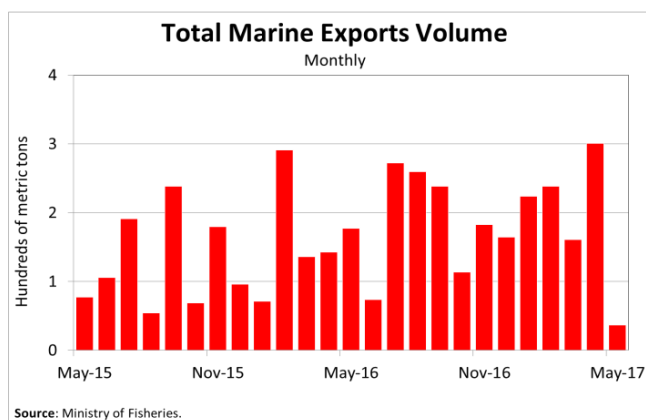
	May 17	Apr 17	Mar 17	Feb 17
Total Volume (metric tons)	36.4	300.8	161.0	238.1
Tuna	29.7	257.1	146.7	226.5
Snapper	5.8	35.7	6.1	8.0
Others	0.8	8.1	8.2	3.6
Aquarium Products (pieces)	6,049	7,000	5,574	9,264

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

Tuna and Snapper exports declined considerably

Marine products

The total exported marine products¹ recorded a major decline over the month of May 2017 by 264.4 metric tons (87.9%). This was mainly driven by a significant decrease in the volume of tuna and snapper exports by 227.3 metric tons (88.4%) and 29.9 metric tons (83.6 %) respectively. Furthermore, a decrease of 7.2 metric tons in exports of shark meat contributed to the overall decline. According to the Reserve Bank’s liaison program, less foreign vessels unloaded at Tonga’s port due to low catches of fish during the month drove the decline.



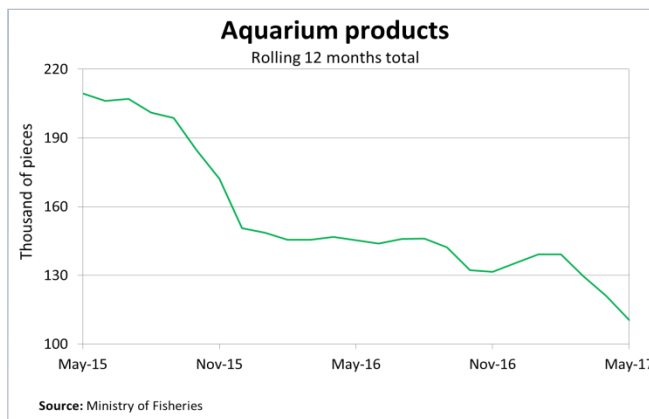
However, the total exported marine products rose by 512.9 metric tons (29.3%) over the year to May 2017 which was largely driven by a 484.1 metric tons (31.1%) increase in tuna exports. The export of snapper and shark meat also increased by 58.6 metric tons

¹ Excluded aquarium products

(64.7%) and 16.6 metric tons (32.9%) respectively. This offset a decrease in the volume of seaweed and reef fish exports over the year.

Aquarium exports

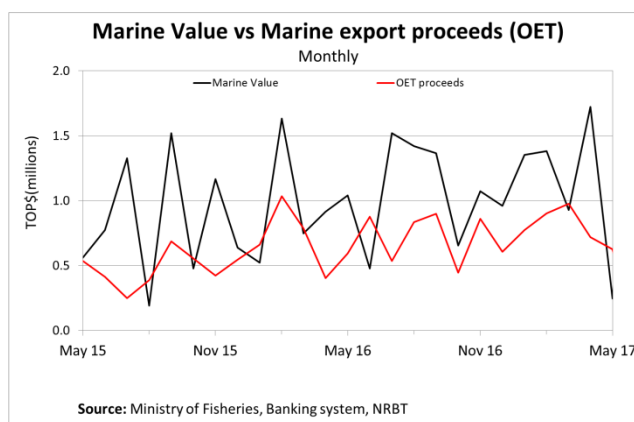
The total aquarium exports continued to decrease over the month by 951 pieces (13.6%), driven by a substantial drop in the export of invertebrate and live hard coral by 927 pieces (23.1%) and 353 pieces (20.4%) respectively. This offset an increase in the export of live fish by 285 pieces (212.7%).



Similarly, total exported aquarium products declined over the year by 34,876 pieces (24.0%). This was due to lower exports of invertebrate (24,647 pieces), live fish (6,252 pieces), shellfish (3,198 pieces) and live hard coral (2,105 pieces) over the year, which outweighed an increase in exported soft coral of 1,326 pieces.

Export Proceeds

The total value of marine exports² proceeds was estimated by the Ministry of Fisheries to be \$0.2 million over the month of May 2017. However, the Banking system reported a \$0.6 million was received for export of fisheries products. The export proceeds fell over the month by \$0.1 million (13.3%) which reflects the decline in the volume of exported tuna, snapper and shark meat. In addition, the United States remained the highest export destination for Tonga's marine products.



Over the year to May 2017, the 29.3% growth in total marine exports coincided with a \$2.3 million (34.3%) rise in the total proceeds received. The higher export receipts

² Both marine and aquarium products

during the year is supported by the strengthening of the US dollar against the Tongan pa'anga as the export destination countries are mainly to the US, Hawaii and New Zealand. According to the liaison with individuals involved in the sector, the better weather conditions during the year and the increased number of fishing vessels supported by the Government Development loan scheme contributed to the annual growth.

Outlook

The Reserve Bank expects the fisheries sector will continue to grow, with tuna exports being the main contributor. This is supported by the Ministry of Fisheries' Fisheries Sector Plan, which included key principals to develop the Special Management Areas program, particularly on coastal and commercial fisheries and also the economic development of commercial fisheries and aquaculture. The duty exemptions policy on oil and fishing gear and the initiatives of Fisheries Development and Export Fund (FDEF) by the Government through its Government Development Loans facilitated by the Tonga Development Bank will also support growth in the Fisheries sector. In addition, Tonga has qualified to participate in piloting fisheries projects in Timaru, New Zealand which will provide opportunities to the sector. Furthermore, the mabe pearl industry operating in Ha'apai will contribute to the overall growth of the Ministry's export proceeds as according to the Ministry of Fisheries, "the mabe pearl industry shows a great potential to prove income and livelihood benefits for the communities of Ha'apai".

Marine Export Volumes

	Month-ended				Year-ended		Share of total Sample ave.
	May 17	Apr 17	Mar 17	Feb 17	May 17	May 16	
Total Marine Products (in metric tons)	36.4	300.8	161.0	238.1	2,263.7	1,750.9	100.0
Shark Meat	0.8	8.1	8.2	3.6	67.2	50.5	3.0
Snapper	5.84	35.70	6.1	8.0	149.2	90.6	6.6
Tuna	29.7	257.1	146.7	226.5	2,043.2	1,559.1	90.3
Others	0.0	-	-	0.0	4.1	50.7	0.2
Total Aquarium Products (in pieces)	6,049	7,000	5,574	9,264	110,543	145,419	100.0
Livefish	419	134	907	428	9,121	15,373	8.3
Invertebrate	3,087	4,014	2,362	5,890	58,919	83,566	53.3
Live Hard Coral	1,375	1,728	1,609	1,713	24,370	26,475	22.0
Shellfish	-	-	-	80	1,623	4,821	1.5
Soft Coral	1,168	1,124	696	1,153	16,510	15,184	14.9

Source: Ministry of Fisheries