



# A stronger future for Solomon's exports

**PHAMA**  
**Pacific Horticultural & Agricultural  
Market Access Program**  
An Australian Government initiative

## Solomon Islands' export sector

The Solomon Islands is an archipelago of some 1000 Islands spread across 1500 km. The main islands are characterised by rugged mountains with more favourable agricultural land along the coastal areas. The vast majority (around 79%) of the 600,000 Solomon Islands population live in rural areas and are involved in agriculture or fishing on a subsistence or cash-crop basis.

**The country's national GDP is around USD \$1.1 billion, of which 38% is generated through agriculture and 26% is earned through the export of agricultural commodities (including forestry- and fishing-related exports).**

Recent declines in total export revenue due to the cessation of gold mining and an expected longer-term decline in log exports pose a significant economic challenge for the region. The export sector is dominated by large commodity-based industries exporting forestry products (round logs USD \$200 million, sawn timber AUD \$14 million), fish (whole, processed and canned AUD \$35 million), palm oil (AUD \$30 million), coconut products (copra, mature nuts, coconut oils and meals AUD \$18 million), and cocoa (beans AUD \$10 million). While the agricultural economy is large, production of root and horticultural crops is primarily for the domestic markets, with minimal exports. This is largely due to a lack of infrastructure, limited scale of production and processing facilities and high transport and processing costs.

## Public-Private Partnerships

Central to the PHAMA approach is the development of strong public-private partnerships (PPPs) between governments and private sectors to help manage market access. Market Access Working Groups (MAWGs) have been established by PHAMA within the core PHAMA countries. These include private sector representatives (e.g. exporters, processors and producer groups) and relevant government agencies responsible for elements of market access (e.g. Departments of Quarantine, Trade, Agriculture, Fisheries, Health and Forestry). To broaden engagement with the private sector, PHAMA has also facilitated the establishment of Industry Working Groups (IWGs) specific to Solomon Islands' key export industries: fisheries, cocoa, coconut and forestry. MAWGs and IWGs provide the link between producers, industry and government.

## PHAMA successes in the Solomon Islands

- **Fisheries** – Thanks to assistance from PHAMA and other donors, the Solomon Islands has significantly strengthened its ability to maintain access for its canned tuna exports to the European Union (industry value AUD \$47 million), and preserved 1,800 factory jobs.
- **Forestry** – PHAMA helped the forestry industry to develop guidelines to ensure sawn timber is sourced and exported legally. These guidelines were accepted by the Australian Government, and have enabled the Solomon Islands to keep the AUD \$7 million annual export pathway to Australia and New Zealand open.

- **Cocoa** – A cocoa quality testing facility has been completed at the Cocoa Export Marketing Authority (CEMA). This will enable CEMA to test cocoa for export to meet industry quality standards.
- **Copra** – Three mills have been reaccredited to provide copra meal as an ingredient for stock feed to Australia. This happened as a result of improvements in industry quality assurance systems and the Government's audit and verification capacity to monitor stock feed production and exports.

## Current focus

PHAMA's strategy in the Solomon Islands is to improve market access for the country's key export industries and drive development through the IWGs. PHAMA continues to explore new market access opportunities for other horticultural and agricultural commodities; however, it is recognised these are likely to be limited. Current focus areas include:

- **Fisheries** – In collaboration with the Forum Fisheries Agency and the New Zealand Government, PHAMA is supporting the Solomon Islands Government to ensure that processed tuna exports meet European Union food safety and catch certification requirements. This work is being coordinated through the Seafood IWG.
- **Forestry** – In association with the Government and through the Forestry IWG, PHAMA is working to ensure that sawn timber exports meet the market access requirements of countries like Australia and New Zealand.
- **Cocoa** – Through the Cocoa IWG, the program is assisting Government and industry to improve cocoa quality standards and testing. Additional support is enabling industry to understand market needs and improve returns.
- **Coconuts** – PHAMA is working with government and industry through the Coconut Industry Secretariat to improve coconut industry standards and empower industry to increase export values and returns.
- **Horticulture** – With PHAMA's support, a new Horticultural IWG is evolving. The current focus is on potential export of chillies to Australia.



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The Pacific Horticultural and Agricultural Market Access program (PHAMA) is an aid-for-trade program, funded by the Australian and the New Zealand Governments. PHAMA is implemented by AECOM.