



Food trade within the Pacific Region

KEY MESSAGES

- Intra-regional food trade is growing, and although overall it remains only a fraction of extra-regional food imports, it represents a significant source of traded food for some PICTs
- The growth of trade in staple food intra-regionally indicates an important role of Fiji (in particular) in regional food security
- Increases in intra-regional trade of unhealthy foods align with growing concerns among Pacific Island governments about unhealthy food imports
- There is opportunity for increased investments in domestic agriculture to support the production and trade of traditional staple foods

CONTEXT

As multilateral trade negotiations have stalled over the past 20 years, global attention has turned towards regional trade to create new opportunities for specialization and comparative advantage. In the Pacific region, food trade has historically been influenced by colonization and extra-regional trade, which has negatively impacted food security and prompted a nutrition transition. Colonial trade patterns have resulted in import dependence and dietary changes, moving away from healthy, traditional foods - including root crops, fish, and vegetables - to energy dense-nutrient poor imported foods such as sugar, wheat flour, rice and processed

snack foods. Additionally, the region experiences high rates of non-communicable diseases (NCDs) and persistent food insecurity. Pacific Island leaders have recognised the potential for trade policy to promote and improve nutrition in the region. However, there has been little examination of intra-regional food trade to date.

RESULTS AND DISCUSSION

Intra-regional food trade represents only a small fraction of total food imported by Pacific Island Countries: rising from 0.3% in 1995 to 3.2% in 2018.

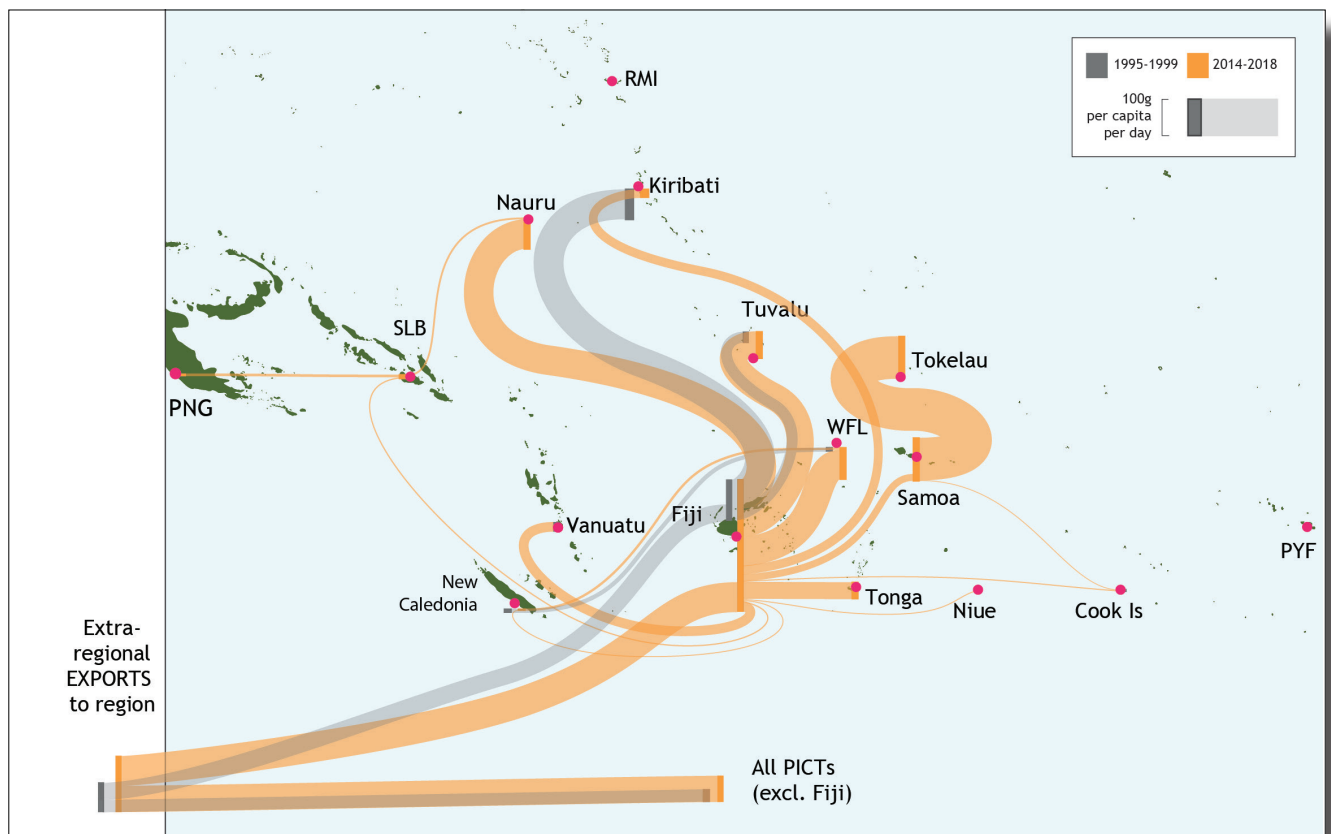


Figure 1. Average annual grams per capita per day of unhealthy food moving between PICTs and imports from outside the region in 1995-1999 and 2014-2018. Line width reflects grams per capita per day for the importing country (see scale bar). Note the scale bar differs from that in the published paper; a corrected version is shown here. Per capita imports entering the region to countries other than Fiji are aggregated because there is negligible re-trade from PICTs other than Fiji.

Fiji is the largest exporter of food within the region, primarily for Cook Islands, Kiribati, Nauru, Samoa, Tonga, Tuvalu and Wallis and Futuna. The volume of exports from Fiji into the region rose from 2,693 tonnes in 1995 to 49,900 tonnes in 2018. Fiji acts as a hub for intra-regional trade in staple foods, with 98% of intra-regional trade in non-staple foods coming from Fiji. The main food commodities traded intra-regionally in the PICTs are grains, cereals and flours, which represented 51% of total intra-regional food trade in 2018. In 2018, processed and prepared foods including meat and vegetables accounted for 19% of intra-regional food trade, sweetened or flavoured beverages 8% and processed fish 5%.

Intra-regional trade of healthy foods (including fruits, vegetables, nuts, seeds and root crops) is limited in terms of volume, as well as relative to imports from outside the region. In 2018, trade of healthy foods only represented 0.3% of total intra-regional trade, and 0.18% of total healthy food imports. All of the intra-regional trade flows of staple root crops between 2011 and 2012 were exported from the high islands, with 75% of this volume imported by atoll nations.

Intra-regional trade of unhealthy foods (including sugars, fatty meats, ready-to-eat snacks and meals, sweet snacks and energy dense beverages) averaged around 10,000 t between 2014 and 2018, comprising of 4% of total unhealthy food trade. Between this period, Fiji was the main exporter of unhealthy foods, in addition to being the major re-exporter and export hub for unhealthy food in the region.

CONCLUSIONS

Food trade among PICTs has grown, with Fiji acting as a regional hub for the majority of traded food for many countries. The substantial trade in staple foods intra-regionally - particularly by Fiji - highlights an important role and potential in regional food security. However, it is important to

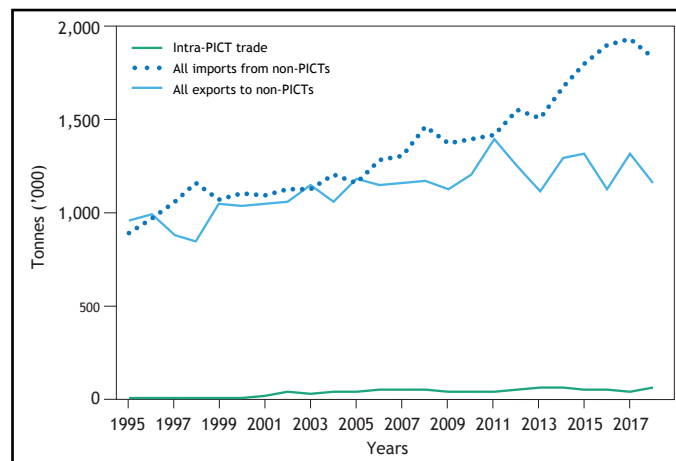


Figure 2. Intra-regional food trade compared to extra-regional trade (excluding alcoholic beverages, tuna, and water), 1995-2018.

note that there is very limited trade in traditional staple foods, namely root crops. Despite regional food and nutrition policies reflecting the desire to increase production and consumption of traditional food crops, operationalising the intra-regional trade industry of these foods has faced significant challenges. This includes small domestic markets, shortage of development capital and inadequate infrastructure facilities. The implementation of PICTA in 2007 may have raised regional attention to the potential benefits of reducing trade barriers, as well as the potential market for intra-regional trade.

There is potential for a regional approach in the Pacific Islands to improving diets and health. The onset of Covid-19 prompted renewed interest in domestic agriculture, highlighting opportunities for increased investment in the production and trade of traditional staple foods. To achieve this, agriculture policies need to support local food production, support youth interest in farming and provide technical capacity to SMEs. There is also potential for increasing production of niche food products such as dried fruit, juices and staple crop flours, which would bolster the domestic processing sector and allow certain countries a 'foot in the door' to intra-regional trade.

SOURCES

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ABOUT

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