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FISHERIES

HARVESTING THE SEA

The Solomon Islands lies in one of the world’s richest fishing grounds, especially for tuna, and has a rich tradition of harvesting the sea’s resources.

Even with a dramatic 28% fall in production in 2007, the Solomons’ fisheries industry is still a major export earner, and is expected to offer better growth this year and next on the back of improved capacity and higher international fish prices.

MAXIMISING RETURNS

One central issue identified by the Government’s Medium Term Fiscal Strategy is the need to retain more of the value of the catch. Those fish not landed and processed in the Solomons ended up leaving its waters for a fraction of the price they would otherwise achieve. That not only affects government revenues but limits the industry’s capacity to employ people and keeps profits low.

To ensure this issue is given appropriate attention, the Solomons’ Government recently commissioned a study to ensure returns are maximised and sustainable, and has outlined plans to develop further tuna processing plants in Malaita, Isabel and Chouisel.

While land and infrastructure issues will need to be overcome if its plans are to come to fruition, the fact that the Government has already committed five percent of new revenue from 2009 for development of fishing, tourism and agricultural sectors means fisheries are ripe for further investment.

EXPORT DEMAND

At present there are only two local canners—state-owned Soltai, and National Fisheries Development Ltd. The two companies often cooperate to meet export demand. Soltai recently had its lucrative licence to supply the European Union renewed and is now expanding the storage capacity at its processing facilities in Noro, Western Province.

Tough EU export standards are ensuring that the Solomons’ tuna industry develops to the highest standards and several

observers have told *Business Advantage* they think Soltai represents a strong privatisation prospect.

In addition to tuna, the Solomons has the potential to export more prawns, reef fish, crayfish and dried seaweed, as well as live tropical aquarium fish. There is also potential to develop markets for the Solomons’ giant clams, coral and pearl oysters. ■

SUSTAINABILITY THE KEY

The Solomons is one of the eight major tuna-producing nations that are parties to the Nauru Agreement, which governs the management of this resource.

Recently, conservation measures were agreed on to limit the impact of large-scale fishing operators, especially those that visit from outside the region, on the region’s tuna stocks.

Such cooperation will help ensure that the fisheries industry in the Solomons has a long-term future and will continue to attract investment.



Working towards a secure future for Solomon Islanders

The Solomon Islands National Provident Fund is the compulsory savings scheme for all employees in the Solomon Islands. The fund continues to enjoy investment growth to maximize returns to its members. We are committed to playing a leading role in the development of the Solomon Islands economy, including as an equity partner in significant local projects.

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