



Pacific Trade Invest
AUSTRALIA *40 years*

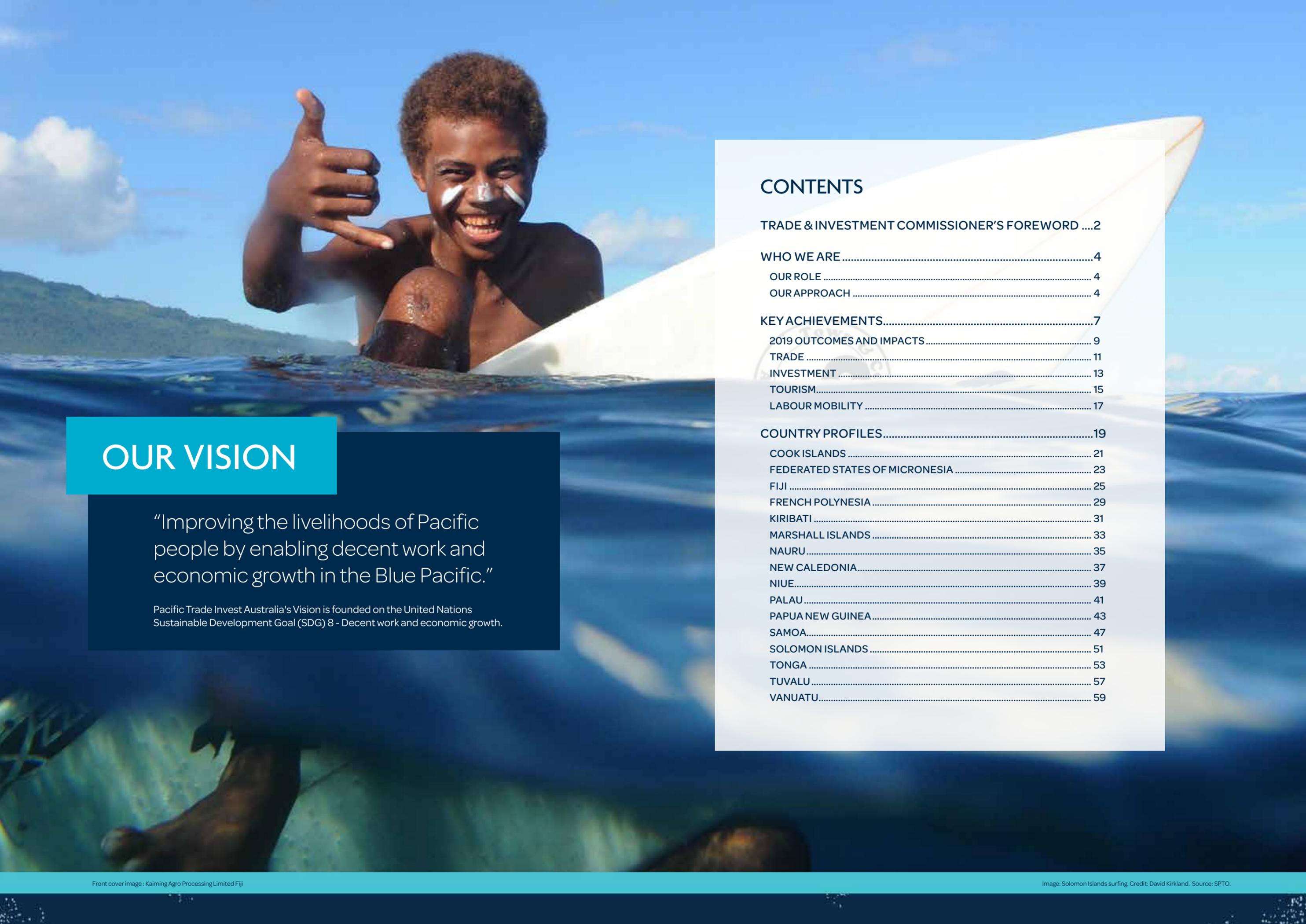
PACIFIC TRADE INVEST AUSTRALIA ANNUAL REPORT 2019



PACIFIC ISLANDS
FORUM SECRETARIAT



Australian Government
Department of Foreign Affairs and Trade



OUR VISION

“Improving the livelihoods of Pacific people by enabling decent work and economic growth in the Blue Pacific.”

Pacific Trade Invest Australia's Vision is founded on the United Nations Sustainable Development Goal (SDG) 8 - Decent work and economic growth.

CONTENTS

- TRADE & INVESTMENT COMMISSIONER'S FOREWORD2
- WHO WE ARE4
 - OUR ROLE 4
 - OUR APPROACH 4
- KEY ACHIEVEMENTS.....7
 - 2019 OUTCOMES AND IMPACTS 9
 - TRADE 11
 - INVESTMENT 13
 - TOURISM..... 15
 - LABOUR MOBILITY 17
- COUNTRY PROFILES.....19
 - COOK ISLANDS 21
 - FEDERATED STATES OF MICRONESIA 23
 - FIJI 25
 - FRENCH POLYNESIA 29
 - KIRIBATI 31
 - MARSHALL ISLANDS 33
 - NAURU 35
 - NEW CALEDONIA..... 37
 - NIUE..... 39
 - PALAU 41
 - PAPUA NEW GUINEA 43
 - SAMOA..... 47
 - SOLOMON ISLANDS 51
 - TONGA 53
 - TUVALU 57
 - VANUATU..... 59



TRADE & INVESTMENT COMMISSIONER'S FOREWORD

It was a great honour and privilege to be the Trade & Investment Commissioner of PTI Australia in its fortieth year, and to see how this agency continues to innovate and lead as it drives private sector growth in the Blue Pacific.

It was a spectacular year across all key strategic areas, facilitating a record amount of A\$26.5m in trade as well as seven investment deals. These are the best results achieved in our 40 years working in the Pacific. This year, 40 per cent of businesses we worked with in the Pacific were women-led, a clear illustration of our ongoing commitment to empowering Pacific women in business. Our Digital Tourism program achieved a record outcome, generating over A\$13m.

We are driven by our commitment to delivering tangible outcomes for businesses and people in the Pacific. It is both encouraging and rewarding to receive positive feedback from the people and businesses we work with but even more so, to witness the real impact these outcomes have on the lives of Pacific people. Key highlights that shaped 2019 included the launch of PTI Australia's Strategic Plan 2019–2022, mapping the organisation's future direction. Our Strategic Plan establishes a framework and clear outcomes for the next stage of our journey. It embraces the collective strength of the Blue Pacific, with the flexibility to address the distinct trade and investment priorities and challenges faced by the 16 Pacific Countries we have the honour of working with.

We continue to respond to the changing trade and investment landscape and its market-driven opportunities. As a leader in this space, PTI Australia continues to innovate the services we provide. Through our 2018 Pacific Export Survey, we identified a need to upskill exporters in their knowledge of social media as a business tool. In November, through our Digital Trade program in partnership with the Fiji Export Council, we delivered our inaugural Social Media Masterclass in Suva and Nadi to over 90 participants – with our Suva workshop at capacity.

The introduction of Australia's Pacific Labour Scheme (PLS) in 2018 provided an opportunity for us to capitalise on our skills and strong networks in the Pacific and Australia to drive investment through labour mobility, enabling remittances to create investment opportunities into local Pacific economies. With the value we added and outcomes we achieved by promoting the Pacific Microstates – Northern Australia Worker Pilot Program, we have broadened our remit to include labour mobility as one of our four key strategic areas.

Our achievements did not go unnoticed this year with PTI Australia awarded Impact Market Builder of the Year at the Australian Impact Investment Awards. This award is in recognition of our achievements in building impact investment as a sector and introducing impact investors to the Pacific.

PTI Australia could not have achieved these outstanding results alone. I acknowledge the important role our partners play in amplifying our reach and the effectiveness of our work in the Pacific. I would like to especially acknowledge the Pacific Islands Forum Secretariat and the Australian Department of Foreign Affairs and Trade, which have supported us and our work in the Pacific region for the past 40 years.

I am extremely proud to lead an organisation that continues to inspire on so many levels and create long-lasting impacts for the Blue Pacific – and I take my hat off to the incredible team I have working beside me as we look towards an exciting future for PTI Australia.

Caleb Jarvis
Trade & Investment Commissioner
Pacific Trade Invest Australia



WHO WE ARE

OUR ROLE

As the Pacific's lead trade and investment promotion agency, PTI Australia develops and promotes businesses and people from the Pacific through trade, investment, tourism and labour mobility.

Our mandate is driven by the Pacific Islands Forum Secretariat (PIFS), supporting the 16 Forum Countries from the Blue Pacific: Cook Islands, Federated States of Micronesia (FSM), Fiji, French Polynesia, Kiribati, Republic of the Marshall Islands (Marshall Islands), Nauru, New Caledonia, Niue, Palau, Papua New Guinea (PNG), Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

PTI Australia is an agency of PIFS, funded by Australia's Department of Foreign Affairs and Trade (DFAT).

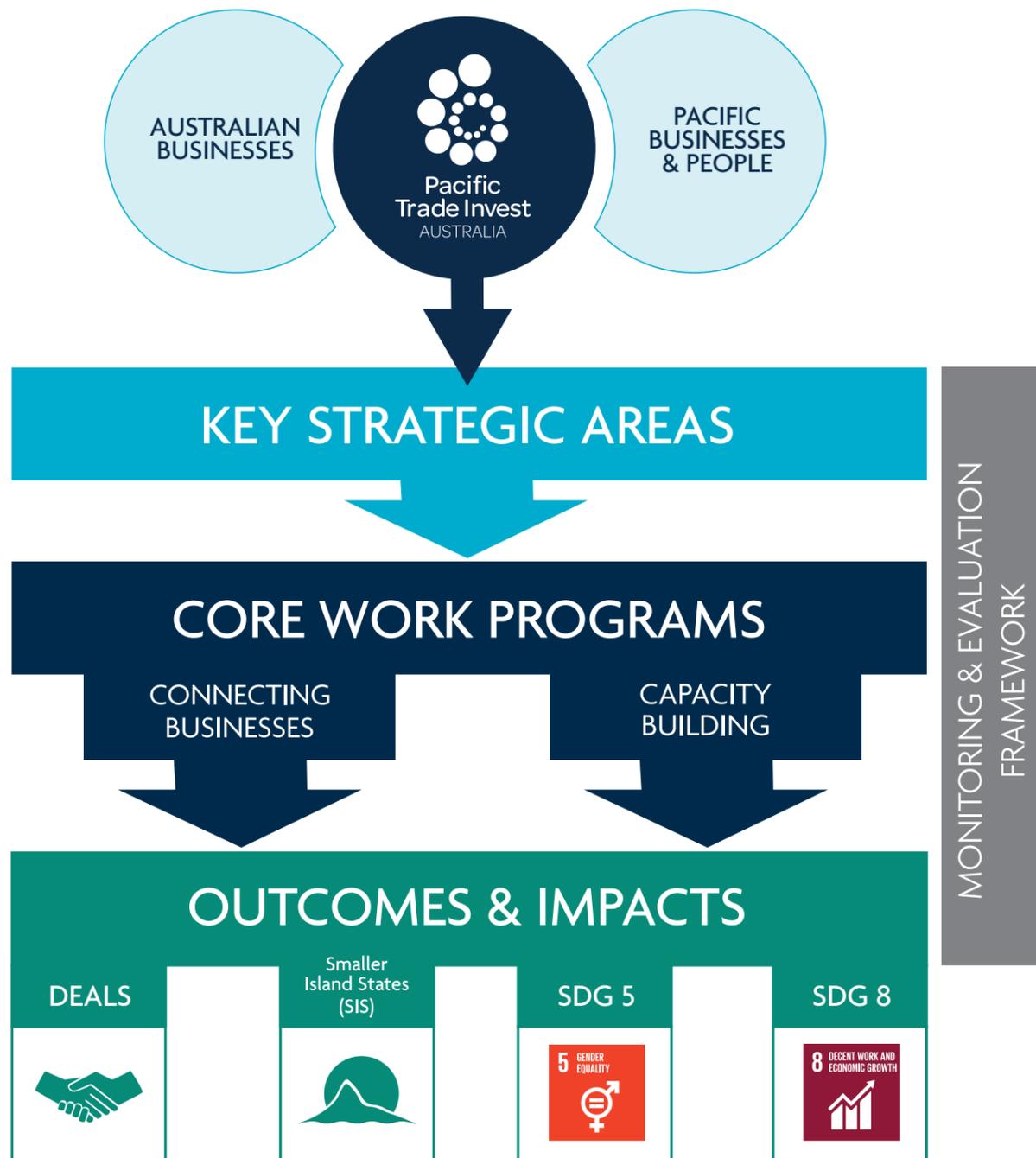
OUR APPROACH

We have a culture that fosters innovation as we look to maximise our impact in the Blue Pacific. Our size enables us to be agile in our approach as we work towards our Vision of enabling decent work and economic growth in the Blue Pacific. Our Vision is aligned with UN SDG 8 and SDG 5, while contributing to PIFS Strategic Outcome C – Increasing Economic Prosperity, and five of DFAT's Making Performance Count – Key Strategic Targets.

Our work is focused on four key strategic areas to drive growth for the Blue Pacific economy: trade, investment, tourism and labour mobility. Strategies to drive growth in these areas can be tailored to the unique dynamics of each island nation.

These key strategic areas are underpinned by seven Core Work Programs (CWPs). The CWPs improve livelihoods in the region through trade and investment as we connect businesses and build capacity to facilitate commercial outcomes for Pacific businesses and people.

Our Monitoring and Evaluation Framework ensures a level of transparency, assessing our progress towards our 2022 strategic goals.



KEY STRATEGIC AREAS

Our key strategic areas reflect our overarching priorities to drive trade and investment in the Pacific. Underlying all our activities is PTI Australia's continued commitment to empowering women in business and supporting the Smaller Island States (SIS) of the Pacific.



TRADE

Growing private sector business sales to the Australian market.



INVESTMENT

Attracting capital to foster sustainable economic growth and prosperity in Pacific countries.



TOURISM

Increasing digital capabilities and promoting the Pacific tourism sector globally.



LABOUR MOBILITY

Connecting Pacific people to good job opportunities in Australia.

CORE WORK PROGRAMS (CWP's)

PTI Australia's seven CWP's focus our activity across our four strategic areas:



Promoting export-ready businesses and connecting them with international buyers, including through e-commerce platforms.



Introducing purposefully selected investors to Pacific countries.



Coaching and mentoring purposefully selected Pacific Island tourism enterprises to use channel management and digital tourism market aggregators.



Developing export-capable businesses.



Facilitating growth of the Australian Government Pacific labour mobility initiatives through collaboration with the Pacific Labour Facility (PLF).



Providing promotional support, networks and technical expertise, including collaboration with other Australian Government-funded Pacific programs.



Contributing information for a better business-enabling environment.

OUTCOMES & IMPACT

We are committed to delivering measurable outcomes for Pacific businesses and people. The programs we deliver through our key strategic areas enable a positive impact in the following areas:



DEALS

Facilitating connections that create commercial outcomes for Pacific businesses and people.



SMALLER ISLAND STATES

Actively identifying opportunities in trade and investment for Pacific Islands SIS.



SDG 5 - GENDER EQUALITY

Actively supporting women-led businesses in the Pacific.



SDG 8 - DECENT WORK AND ECONOMIC GROWTH

Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for Pacific people.

KEY ACHIEVEMENTS



2019 IN NUMBERS

OUTCOMES & IMPACTS



16 countries serviced



223 women-led businesses assisted
number of deals for women-led businesses 211

trade facilitated \$26.5m
number of trade deals 278

671 services provided

4 COUNTRIES participated in PTI Australia's Talent Development Program

investment facilitated \$2.39m
number of investments facilitated 7

partners engaged 25



tourism businesses assisted 102
digital trade and tourism workshops delivered 8
labour mobility missions 9

businesses assisted 557



GROWING PRIVATE SECTOR BUSINESS SALES TO THE AUSTRALIAN MARKET

Our Trade Program focuses on connecting Pacific-based exporters with buyers in the Australian market. With technology rapidly changing global supply chains, PTI Australia's Digital Trade program enables businesses in the Pacific to use technology to establish and enhance pathways into the Australian market. In conjunction with this program, PTI Australia delivers market-related services, advice and information to assist Pacific Island export-ready companies to connect with opportunities in Australia.

Through our Trade Program in 2019 we collaborated with export-ready businesses from the Pacific, key government agencies and national and private sector organisations, to help Pacific countries expand and diversify their products and markets, resulting in export sales for Pacific businesses.

2019 TRADE HIGHLIGHTS

The under-utilisation of e-commerce in the Pacific Islands drove the expansion of PTI

Australia's Digital Trade program in 2019. As part of the program, PTI Australia facilitated an e-commerce workshop with a focus on using Amazon, in Vanuatu, and developed a social media masterclass with the first workshops held in Fiji.

PTI Australia's Creative Industries initiative promotes the creative skills of Pacific countries. Our key partner is REAL Impact. As the founding partner of Considered by REAL, REAL Impact brings together skilled artisans of the Pacific to create market-driven designs. Showcasing these designs at two key trade shows in New York in 2019 resulted in export sales.

PTI Australia continued to support the Goroka Bilum Festival. A trade mission to the festival, led by the Trade & Investment Commissioner, resulted in the largest single purchase of bilum by a single buyer at A\$9,000. Sales from the festival provided vital income for the weavers, many of whom are from remote areas in the highlands. The income is used to support their families, including education for their children.

"PTI Australia has done a lot to support the bilum industry in PNG. Our main problem has always been marketing our products. PTI Australia has helped us overcome that. The Goroka Bilum Festival is one of the initiatives they have supported that has truly helped our bilum weavers."

- Florence Jaukae Kamel, Festival founder and founder of the Goroka Bilum Weavers Cooperative.

CASE STUDY

DRIVING SALES THROUGH SOCIAL MEDIA

PTI Australia's Social Media Masterclass delivered two workshops in partnership with the Fiji Export Council. Over 30 participants attended the masterclass held in Nadi and the Suva workshop was at capacity with over 50 businesses represented.

E-commerce opens exciting opportunities for businesses in Fiji to connect with international markets and is becoming an important way for businesses in the Pacific Islands to trade with the rest of world. Malcolm Ralisa, from the Fiji Export Council, said the workshop was a great opportunity for businesses to gain a better understanding of how social media can support growing the export side of their business.

"Over the last few years there's been a real shift in the trade sector with online platforms creating opportunities for our exporters to access international markets, but there's still limited understanding on how to use social media to effectively engage customers to drive sales.

"PTI Australia's Social Media Masterclass is giving businesses essential skills and a roadmap to improving how they engage online. The feedback we have had from today's session has been extremely positive."

Filimena Foster from Cacao Fiji found the workshop very beneficial. She said that at Cacao



Fiji they were able implement what they had learned and improve their social media presence immediately.

"Great workshop! It has helped immensely our social media marketing and has helped us reach out to our customers. Our posts are now more precise and creative to ensure we attract the right people."

PTI Australia's General Manager – Exports, Jeremy Grennell, said that social media provides a cost-effective channel to engage international markets.

"Digital trade is rapidly changing the export landscape. Through PTI Australia's 2018 Export Survey, we identified a need to upskill exporters in their knowledge of social media as a business tool and to provide practical steps to help exporters in Fiji to increase their sales and improve profitability.

"Compared to traditional marketing channels like print, social media allows businesses in Fiji to reach an international audience at a relatively low cost. Our Pacific Islands Export Survey found that only 67 per cent of exporters in the Pacific use social media. It's a missed opportunity. That's why we are delivering our Social Media Masterclass as a part of PTI Australia's Digital Trade program – to empower businesses in Fiji with the tools to use Facebook and Instagram to drive product awareness and ultimately sales."



ATTRACTING CAPITAL TO FOSTER SUSTAINABLE ECONOMIC GROWTH AND PROSPERITY IN PACIFIC COUNTRIES

PTI Australia is the central place for investors looking to discover and pursue opportunities in the Pacific region. We assist investors to identify opportunities in Pacific countries and we also work with investees in the region, promoting their businesses to potential investors. We provide confidential services, tailored advice and connect investors and investees through our extensive networks to create investment opportunities. As well as traditional investment, our Impact Investment Program continued to work towards facilitating investment opportunities that will have a positive social and/or environmental impact in communities across the Pacific.

Private sector investment is important in supporting economic growth and increasing employment opportunities in the Pacific. In 2019, PTI Australia worked in collaboration with the investment promotion authorities and partners, providing confidential services and tailored advice to connect investors and investees through our extensive networks. As a result, PTI Australia facilitated seven deals valued at over A\$3.39m in investments.

2019 INVESTMENT HIGHLIGHTS

In 2019 we were honoured to be named Impact Market Builder of the Year at the annual Australian Impact Investment Awards, recognising our work building impact investment as a sector in the Pacific. We continued to actively promote and showcase the Pacific as a viable investment destination with features in *Forge* magazine and two prominent Australian newspapers. Additionally, PTI Australia's online Investment Directory featured 35 projects with a potential investment value of over A\$27m. The directory assists investors to easily access information on investment opportunities across the Pacific. It also provides a free service for investment promotion agencies and Pacific businesses to showcase their investment opportunities to an international market.

CASE STUDY

PTI AUSTRALIA NAMED IMPACT MARKET BUILDER OF THE YEAR

PTI Australia was proud to be named Impact Market Builder of the Year at the 2019 Australian Impact Investment Awards. The award recognises PTI Australia's work building impact investment as a sector and introducing impact investors to the Pacific.

A collaboration between the Impact Investment Summit Asia Pacific and the Impact Investing Hub, the awards recognise outstanding activities, organisations and individuals in the Australian Impact Investing ecosystem.

The impact of PTI Australia's partnerships and their work in building the impact investment ecosystem in the Pacific was considered a stand-out by the judges.

"The judges were very impressed with the work of PTI Australia. Impact investment is not yet a known term in the Pacific. They are actively building a market where there previously wasn't one, lifting the profile and understanding of the Pacific to Australian impact investors," said Jessica Roth on behalf of the Impact Investing Hub.



This year marks PTI Australia's fortieth anniversary, and Caleb Jarvis, Trade & Investment Commissioner, PTI Australia, said that receiving the accolade this year made it extra special.

"This year, PTI Australia celebrates four decades of driving private sector growth in the Pacific and to also be recognised this year as the Impact Market Builder of the Year is a great honour.

"We are extremely proud to be recognised with this award and it highlights the hard work and dedication of the team and especially the efforts of Leata Alaimoana-Roberts, who leads our work in this space. A huge congratulations to all the businesses and individuals who were nominated and won awards.

"Our work and achievements in the Pacific are not achieved in isolation. This award we share with our partners, Australia's Department of Foreign Affairs and Trade, and the Pacific Islands Forum Secretariat. We have a clear vision to enable decent work and economic growth in the Pacific and to positively impact the livelihoods of those who call the Pacific home. This award strengthens our commitment to empowering the Impact Investment ecosystem in the Pacific."



INCREASING DIGITAL CAPABILITIES AND PROMOTING THE PACIFIC TOURISM SECTOR GLOBALLY

Tourism is a vital generator of economic growth and local employment in the Pacific. PTI Australia connects, develops and promotes tourism-related businesses in the region to strengthen the tourism sector. In 2019, PTI Australia collaborated with tourism and regional authorities in the Pacific, strengthening partnerships to support the development of local tourism operators through PTI Australia's Digital Tourism program, generating over A\$13m in export sales.

2019 TOURISM HIGHLIGHTS

To increase the digital capacity of tourism operators, PTI Australia's Digital Tourism workshops were held in Fiji and Tonga in partnership with local tourism authorities, and two virtual workshops delivered in collaboration with the East-West Center in Hawaii to delegates representing 10 Pacific nations. PTI Australia's Digital Tourism Program generated A\$13.26m, the best results since the program began in 2012.

PTI Australia actively supported the promotion of the Pacific SIS to the Australian travel industry through supporting the membership of Kiribati, Tuvalu, Tonga, Nauru, Niue, Marshall Islands, Palau and FSM to Hidden Treasures, Treasures of the South Pacific. Additionally, PTI Australia showcased the Pacific SIS in the Australian market at the Treasures of the South Pacific roadshow targeting tourism retailers and wholesalers. The seminars were delivered across Australia in Melbourne, Brisbane, Gold Coast, Newcastle and Sydney. Additionally, in partnership with the South Pacific Tourism Office, Senior Officer – Research & Statistics, Tourism Authority of Kiribati, Ratu Nemani Tebana, was part of PTI Australia's Talent Development Program, spending six weeks in PTI Australia's Sydney office increasing his understanding of Australia's tourism market.

CASE STUDY

PTI Australia's Digital Tourism Program achieved a record result in 2019, generating over \$13m in export sales.

Tourism is a key industry in the Pacific and is an important driver of economic growth and employment opportunities in the region.

The way international tourists make travel decisions has changed. An increasing number of tourists use the internet as their main source of information, using their phone, tablet or computer to explore potential holiday destinations and activities, with social media and referral sites such as TripAdvisor playing an important role in the decision-making process.

In 2012, PTI Australia identified a need to upskill local tourism operators in their knowledge of digital marketing. PTI Australia's Digital Tourism program was established to provide practical help to assist operators to increase their sales and improve their profitability.

As part of PTI Australia's Digital Tourism program, PTI Australia travels to Pacific countries to deliver digital tourism workshops. Workshops cover topics to help local tourism operators enhance their digital presence, including:

- Understanding the buying cycle
- Leveraging your website to drive more direct sales
- Instant booking capability
- Online third-party distribution
- Social media marketing



Through the program, PTI Australia supports the build of booking- and payment-enabled websites for local tourism operators based in the Pacific Islands. For tourism operators with a strong online presence, seed funding is also available for the development and execution of a digital marketing strategy to further drive sales.

IMPACT

Since being established, PTI Australia's Digital Tourism program has built over 300 websites. Constantly evolving to address changing needs of tourism operators, PTI Australia has founded partnerships with Booking.com, TripAdvisor and Airbnb to add further value to the Digital Tourism program, resulting in commercial outcomes for Pacific tourism operators.

PTI Australia's Digital Tourism program launched in the Cook Islands and Kiribati in 2012 achieving A\$32,249 in export sales. This year the program worked in 15 Pacific nations and achieved a record result of over A\$13m in exports sales. This increased revenue generated by tourism businesses has enabled them to expand their operations and increase the number of people they employ.

"I'm able to purchase a second vehicle for my tour company as a result of PTI Australia's Digital Tourism program. I now employ two staff and have increased by over 150 per cent the number of tourists taken out to villages in Fiji to buy fruit and gifts directly from local women."

- Peter Kaniki, Tourism Operator, Fiji



CONNECTING PACIFIC PEOPLE TO GOOD JOBS IN AUSTRALIA

Labour mobility through the Australian Government's Pacific Labour Scheme (PLS) continued to have a positive impact on the Pacific region and Australia. The scheme provides opportunities for people from the Pacific to export their skills to fill labour shortages in Australia's regional and rural areas, with employee remittances creating opportunities for investment in local Pacific economies. Through our strong network, brokering and facilitation skills, PTI Australia works in partnership with the Pacific Labour Facility (PLF) to connect eligible Australian employers across key industry sectors, including tourism and hospitality services, healthcare and social assistance, and non-seasonal agriculture, forestry and fishing. These connections stimulate investment in the form of remittances; build good practical skills and experience, drive economic development and deepen relationships between Australia and Pacific countries.

2019 LABOUR MOBILITY HIGHLIGHTS

PTI Australia's Labour Mobility program is a new key strategic area launched in 2019 as we continue to innovate and remain agile in response to market-driven opportunities. In 2019, Trade & Investment Commissioner, Caleb Jarvis, led in-country missions to rural and regional Australia, focusing on increasing the awareness of the PLS and the benefits of recruiting semi-skilled employees from the Pacific.

The visits targeted the hospitality, aged care and disability care sectors where chronic labour shortages exist. We expect several businesses to commence recruiting semi-skilled Pacific workers in 2020.

Through our previous engagement under the Pacific Microstates – Northern Australia Worker Pilot Program, additional employees from Vanuatu were recruited to Hayman Island in 2019.

CASE STUDY

HAYMAN ISLAND RESORT TRANSFORMED BY I-KIRIBATI WORKERS

EMPLOYEE SHORTAGES

Valued at over A\$30b, Australia's tourism industry is the country's largest services export and one of its biggest employers. Despite this, in rural and remote parts of Australia, access to and retention of skilled labour is one of the greatest challenges the sector faces. For businesses like Hayman Island Resort, this has meant an expensive and resource-intensive process of continually recruiting, inducting and training staff.

AN IDEAL SOLUTION

In 2016, PTI Australia identified the opportunity for Hayman Island Resort to solve this challenge by recruiting i-Kiribati workers as part of the Pacific Microstates – Northern Australia Worker Pilot Program. PTI Australia believed that i-Kiribati workers were well-suited to working in the Whitsunday Islands because the i-Kiribati have a strong work ethic, English language skills, tolerance of tropical temperatures, and a desire to improve their families' futures.

Following a successful recruitment mission to Kiribati, which included conducting more than 80 interviews, 32 i-Kiribati workers were offered positions at the resort.

Before departing for Australia, they were given pre-departure training that included Australian employer and employee obligations, and Australian taxation and superannuation information. Upon arrival, they were settled into accommodation and provided with essential work and living supplies.

A WIN-WIN OUTCOME

The move has been a win-win for Hayman Island Resort and the people of Kiribati.

The workers, who were keen to change their lives, took to the opportunity and proved to be enthusiastic, friendly, hardworking and reliable members of the Hayman Island Resort team.



Allan Renkema, former Executive General Manager, Human Resources, at the resort, said being part of the scheme was a rewarding experience.

"Personally, to see the workers on Hayman Island flourish over the last three years has been extremely rewarding, and it's humbling to hear how their lives and the lives of their extended families have improved as they reinvest their earnings back home."

As a result of the more stable workforce, Mr Renkema has also seen average staff turnover at the resort decrease from 130 per cent to just eight per cent – an enormous commercial benefit for Hayman Island Resort.

This benefit is still being felt today. Following the launch of the PLS in 2018, Hayman Island Resort has continued to hire Pacific applicants through the scheme, nearly doubling its intake with more than 60 workers from the Pacific employed at the resort in 2019.

IMPACT

For Pacific workers like Tuilevuka Teatoti and Retati Tekaa, this opportunity has been about more than money. It has given them the chance to gain international work experience and develop skills to see them and their families into the future.

Tuilevuka has been able to put his culinary training into practice while learning the Australian industry standard. As the primary income earner, he has been able to send money home to his wife and children, which has enabled them to reopen the corner store they run in their remote village.

Retati has also been able to practise her hospitality training in Australia. She too is using her earnings to financially plan for her future and to one day realise her goal of opening an event planning business in Kiribati. When in Kiribati, she also passes on the knowledge gained in Australia to local hospitality workers.



COUNTRY PROFILES

Papua New Guinea

In partnership with Austrade, hosted a CEO breakfast and Business Forum for Prime Minister James Marape.

Palau

PTI Australia's Digital Tourism program supported 15 tourism businesses, driving export sales.

FSM

PTI Australia showcased FSM at the Treasures of the South Pacific roadshow in six cities across Australia.

Nauru

Booking-capable website built for a tourism operator under PTI Australia's Digital Tourism program.

Marshall Islands

Supported Marshall Islands membership to Hidden Treasures, Treasures of the South Pacific.

Tuvalu

In partnership with the Tuvalu Government, developed and launched the Tuvalu National Tourism website.

Solomon Islands

Introductions for Solomon Islands company to potential partners for impact investment.

New Caledonia

Connected niche businesses in perfume and jewellery looking to expand into Australia.

Vanuatu

Six Vanuatu workers were recruited to work on Hayman Island Resort under the Pacific Labour Scheme.

Tonga

Trade mission to Tonga, meeting with businesses and providing advice on channels to market.

Fiji

Over 90 attendees took part in PTI Australia's inaugural Social Media Masterclass.

our BLUE PACIFIC reach

PTI Australia works across 16 island nations of the Blue Pacific – each diverse and unique in its trade and investment – to drive private sector development.

Kiribati

Three investment opportunities promoted in PTI Australia's online Investment Directory.

French Polynesia

Led a mission in partnership with CCISM de Polynésie française engaging with the private sector.

Samoa

Supported Savaii Koko and XOX PACIFIC LIMITED participation at an impact investors event in New Zealand.

Niue

Drove awareness of Niue Vanilla International through a collaboration with online hub for Pacific moving image content, thecoconet.tv.

Cook Islands

Business Development Officer, BTIIB, Tubale Vakalalabure took part in PTI Australia's Talent Development Program.

COOK ISLANDS

Capital: Avarua

Land Area: 240 km²

Population: 17,000 (2017)

GDP growth (% change year on year): 6%

Industries: Tourism, fruit processing, fishing, clothing, handicrafts, pearls

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$1.7m
exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia continues to work closely with the private and public sectors in the Cook Islands and key partners, increasing the visibility of trade, tourism and investment opportunities in the Cook Islands. In 2019 we supported 22 businesses, facilitating A\$1,759,438 in exports, supporting the development of the Cook Islands private sector.

GENERAL

- In November, as part of an official visit to Australia, the Cook Islands Government – including the Prime Minister of the Cook Islands, the Hon Henry Tuakeu Puna – participated in discussions with PTI Australia.

INVESTMENT

- As part of PTI Australia's Talent Development Program – which supports the professional development, education and exposure of professionals from the Pacific – Business Development Officer, Business Trade Investment Board (BTIB), Cook Islands, Tubale Vakalalabure, was on secondment at our Sydney office to increase his understanding of the Australian trade and investment market.
- Promotion of four investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.

- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with Impact Investment Exchange (IIX), supported the Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

- Through PTI Australia's Digital Tourism program, five booking-capable websites were built for tourism businesses in the Cook Islands, increasing their capability to reach an international market.
- Provided several referrals to the Cook Islands Tourism Corporation to assist with opening an office in the US.
- PTI Australia's Digital Tourism program continued to support 19 local tourism businesses in the market, driving export sales.

CASE STUDY



PROFESSIONAL DEVELOPMENT DRIVES POTENTIAL

PTI Australia is committed to strengthening the business-enabling environment in the Pacific. PTI Australia believes that by increasing the capacity of organisations in the Pacific, the staff and partners of these organisations will be able to perform better and provide the best possible service and solutions to drive commercial outcomes.

THE PROGRAM

In partnership with Business Trade Investment Board (BTIB), Ria Arthur, took part in a tailored program as part of PTI Australia's Talent Development Program. In 2018, Ria spent an intensive three weeks based in PTI Australia's Sydney office where she gained firsthand insights into PTI Australia trade, investment and tourism programs and a deeper understanding of the Australian market.

Through the tailored program, Ria went on site visits to various retailers in New South Wales to understand the competitive landscape for goods in Australia, spending one-on-one time with PTI Australia's program managers to understand the challenges and opportunities for trade and investment in the Pacific. To enhance Ria's experience, PTI Australia partnered with Austrade to develop a series of working meetings that delved into policy, Austrade performance framework, agribusiness, marketing and client engagement, to provide a unique opportunity for Ria to understand the strategies Austrade implements and to take away knowledge that could be applied in the Cook Islands.

IMPACT

Ria gained valuable experience in the Australian market. As part of her secondment, Ria developed and incorporated what she learned into a presentation to the PTI Australia team, discussing opportunities and challenges for Cook Island investment and export and took these learnings with her back to BTIB.

"My time with PTI Australia has taught me a lot about how competitive the market is in Australia. I gained valuable insight into different approaches to both trade and investment especially about the systems and tools we can use in the Cook Islands to support growth in investment and trade.

"Getting international exposure to the trade side was eye opening. So many Pacific countries export into Australia. It highlighted a need to look at how we can improve and differentiate what we have in the Cook Islands based on what other Pacific countries sell in Australia that are similar to the Cook Island products."

With the new skills and experiences, Ria took back to her role as Foreign Investment & Compliance Manager, she was successful in securing a promotion and now leads BTIB's Investment and Trade team.

"Practical professional development can be hard to access in the Cook Islands, I'm so thankful to PTI Australia and BTIB for the opportunity, it's really helped increase my skills to take on this new role as BTIB's Investment and Trade Manager."

"PTI Australia's Talent Development Program really supported by career growth. The experiences and knowledge I gained at PTI Australia I've put into practice in my new role with great success."

- Ria Arthur, Investment and Trade Manager, BTIB

FEDERATED STATES OF MICRONESIA

Capital: Palikir

Land Area: 700 km²

Population: 102,000 (2018)

GDP growth (% change year on year): 1.2%

Industries: Tourism, construction; specialised aquaculture, handicrafts (shell and wood)

Source: DFAT Country/Economy Factsheet, CIA World Factbook

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia is committed to supporting the Pacific SIS. In 2019, we continued to work closely with the FSM and with private sector, government organisations and partners to deliver services to promote trade, tourism and investment opportunities.

- Facilitated connections between French cruise company and FSM tourism offices.
- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including two participants from FSM.
- To increase awareness of FSM in the Australian market, PTI Australia showcased FSM at the Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.

300+
Australian tourism
agents and
wholesalers engaged

- PTI Australia continued to support FSM's membership to Hidden Treasures, Treasures of the South Pacific.
- Promotion of an investment opportunity on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

CASE STUDY



A HIDDEN TREASURE

Tourism is a key economic driver in FSM. World Travel & Tourism Council (WTTTC) research reveals that the tourism sector accounted for 10.4 per cent of global GDP, and 319 million jobs – or 10 per cent of total employment.

The South Pacific Tourism Organisation reported that the first quarter of 2019 saw a 5.1 per cent year-on-year increase in travellers from Australia visiting the major South Pacific destinations, showing a growing interest in the Pacific.

To support FSM to capitalise on this interest in the Pacific, PTI Australia showcased FSM at the Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney. The roadshow gave FSM exposure to over 300 retail travel agents and wholesalers in the Australian market.

Pacific Smaller Island States such as FSM have limited resources to invest in international roadshows and often are unable to participate. Assistant Secretary for Tourism Division, FSM Department of Resources and Development, Elina Akinaga, valued the opportunity PTI Australia provided to showcase FSM.

“Without PTI Australia we could never dream of reaching this number of agents on our own. This kind of introduction and showcase is vital to the success of tourism for FSM.”

The impact of being included in the roadshow has been an increase in awareness of FSM as a tourism destination as well as educating travel agents and wholesalers on what FSM has to offer – including available flights – and ultimately providing them with the confidence to market FSM to tourists.

“Coming tonight has really taught me that there is so much more to the Pacific than [just] where [to] ‘generally’ send travellers. We can definitely send people to places like FSM, Tuvalu and Palau. There are [also] so many other places that we can send people to. Increasing our connectivity between Australia and these places is only going to expand our network – and I can't wait to see what happens.”

- Luke McKibben, Travel Expert, STA Travel

FIJI

Capital: Suva

Land Area: 18,270 km²

Population: 890,000 (2018)

GDP growth (% change year on year): 3.4%

Industries: Tourism, sugar processing, copra, gold, silver, lumber

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$7.9m
Exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

In 2019, PTI Australia assisted 140 businesses from across a variety of sectors, facilitating A\$7,925,899 in exports and A\$200,000 in investments through connecting businesses and capacity building.

TRADE

- Provided specialised market information including advice on distributor management and channels to numerous Fiji businesses in agriculture, and beverage and garment manufacturing.
- Connected six businesses in agricultural, food, and manufacturing sectors to buyers and potential distributor in Australia, resulting in export sales.

- Supported inbound mission of two Fijian exporters, providing advice, introductions and attending appointment.
- The inaugural PTI Australia Social Media Masterclass was delivered in Suva with over 50 attendees, and in Nadi with 40 attendees. The masterclass focused on Facebook and Instagram as business tools to drive sales.
- Supported two businesses with extending their online presence through the development of a RangeMe profile.
- Assisted Fijian exporter in obtaining FSSC 22000 certification to recover lost supermarket listings due to increased supermarket standards for doing business.
- A Fijian beauty company was selected to participate in PTI Australia's E-Commerce Accelerator program to increase online sales, which included listing products on Amazon US-Marketplace.

INVESTMENT

- Impact investment assessment and business analysis conducted on two businesses, reviewing their business and impact context.
- Explored a new impact investment project with an agricultural business to explore innovative ways to make use of agricultural waste.
- Provided specialised advice and introductions to a number of investors, including impact investors, looking at potential investment opportunities in Fiji.
- Supported Fiji's Bula Coffee participation at an impact investment pitch event in New Zealand.
- General Manager – Investment & Tourism led two tailored investment missions to Fiji, introducing participants to qualified investment opportunities, Investment Fiji and service providers.
- Facilitated the introduction of potential new investor/customer to three Fijian business process outsourcing providers.
- Promotion of nine investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.

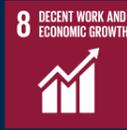
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

- In partnership with the Fiji Hotel and Tourism Association, delivered two PTI Australia Digital Tourism workshops in Nadi and Suva. The workshops were well received, with over 100 participants. To add value to the sessions, Booking.com took part in the workshops to deepen participants' understanding of online booking sites.
- PTI Australia's Digital Tourism program continued to support eight local tourism businesses in the market, driving export sales, and seven tourism businesses were supported in developing booking-capable websites.
- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including three participants from the Fiji.
- Supported Fiji Airways by attending their showcase of the first of two new Airbus A350 XWBs leased as part of their plans to increase tourism in the region.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Fiji.



CASE STUDY

BRINGING KAVA TO THE WORLD

Global demand for kava is increasing and research conducted by PAC Partners found that Fijian kava has experienced strong export growth during the last five years, growing at an average of 32 per cent annually.

Although the commercial importation of kava was banned in Australia in 2007 due to its abuse in some remote indigenous communities, kava is now allowed into Australia as a finished product registered with the Therapeutic Goods Administration. Medicinal kava, like medicinal cannabis, is recognised for its therapeutic benefits and its role as a natural alternative to prescription drugs in the treatment of some medical conditions.

THE FIJI KAVA DIFFERENCE

Kava root contains properties known to act as a muscle relaxant and can be beneficial in the treatment of insomnia, stress and anxiety. Fiji Kava has been at the forefront of groundbreaking research to harness these therapeutic properties in the form of a capsule or tea that it is easy to administer, has little or no long-term side effects and is accessible to those not familiar with it.

Thirteen years of research and development have gone into the formulation of Fiji Kava capsules, including opening the world's first kava tissue culture laboratory. The laboratory is the first commercial application of kava tissue research and uses procedures to identify and replicate the plant's therapeutic properties, ensuring a sustainable supply of disease-free plants is available and thus "protect kava as a true Fijian product" in the face of increasing demand from Europe and the US.

Spanning 45 hectares, Fiji Kava's Nucleus Farm in Ovalau, Fiji, works with more than 200 local Fijian farmers. Fiji Kava's noble kava is planted and nurtured in rich organic soils. The active ingredient is extracted using only pure water to avoid contamination by additives, and dried using traditional drying techniques prior to faster oven drying. Fiji Kava provides 100 per cent traceability from kava plant through to the final product, giving the company an edge over competition.

"There is a major resurgence of global demand for kava as anxiety disorders and depression continue to grow in our society," said Fiji Kava founder and Managing Director, Zane Yoshida.

In 2019, PTI Australia supported Fiji Kava to enter the Australian market, achieving export sales.

"As we look to build our presence in the Australian market, PTI Australia has been fantastic in facilitating connections with retailers. You can now find us online at wholefood merchants, Mr Vitamins and Nourished Life, and in independent health food retailers and pharmacies across Australia, which is really exciting for us."

OPPORTUNITIES FOR GROWTH

In 2019, Australian Prime Minister Scott Morrison announced a pilot program for the commercial importation of kava into Australia by the end of 2020. The opening of the Australian kava market will boost the kava industry in Fiji and the Pacific, increasing export opportunities by removing a major barrier to Pacific kava exporters wanting to enter the Australian market.



Image: Fiji Kava Farm

FRENCH POLYNESIA

Capital: Pape'ete

Land Area: 3,660 km²

Population: 286,000 (2018)

GDP growth (% change year on year): 1.8%

Industries: Tourism, pearls, agricultural processing, handicrafts, phosphates

Source: DFAT Country/Economy Factsheet, CIA World Factbook

OUR IMPACT 2019 HIGHLIGHTS

In 2019, we continued to build our knowledge and network in French Polynesia, meeting with both the private sector and government agencies to understand how PTI Australia can further support French Polynesia through the promotion of trade, tourism and investment opportunities.

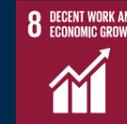
- PTI Australia's General Manager – Investment & Tourism, and Marketing & Communications Manager, led a trade mission to French Polynesia to engage with the private sector, highlighting our work across investment, export and tourism, which was followed up with one-on-one meetings with potential enterprises seeking investment and/or considering exporting. A workshop was delivered in partnership with CCISM de Polynésie française.

- To further understand the French Polynesian tourism market and strengthen connections, PTI Australia's General Manager – Investment & Tourism attended the Tahiti Tourism Conference.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

20+

Businesses attended
a trade & investment
workshop

CASE STUDY



In 2019, in partnership with French Polynesia's Chamber of Commerce (CCISM), PTI Australia's General Manager – Investment & Tourism, Chad Morris, ran a workshop and connected with a diverse range of businesses to understand the factors that drive business in French Polynesia, and provide businesses there with a deeper understanding of the Australian market.

CCISM International Manager, John Tehuritaau, said it was really valuable for the chamber's members to learn more about the Australian market.

"It was of great value to our private sector members to be part of PTI Australia's Business Mission and attend the workshop. As a French collective, our engagement with the Australian market is still small. It was very educational for our members to learn more about the Australian market as well as about PTI Australia and the work they do in the Pacific. The feedback from our members was really positive. They found the

workshop very valuable. It helped them to get a better understanding of the Australian market, expectations and opportunities for growth."

Tahiti tourism guide Nad Roustan said she found the session really informative because it promoted a better understanding of the Australian market, especially for businesses that have not had a lot of exposure to that market.

"Māuruuru roa (thank you very much) to PTI Australia for their informative workshop. Until the workshop, I didn't have any knowledge of PTI Australia and the great work they do for the private sector. It's great now to have this connection in Australia. Although I have had some dealings with the Australian market, I found it valuable to get a broader overview of the trade, tourism and investment landscape. It was really eye-opening – specially to learn about PTI Australia's Digital Tourism program, which I know could benefit smaller tourism operators and providers."

KIRIBATI

Capital: Tarawa

Land Area: 810 km²

Population: 115,000 (2018)

GDP growth (% change year on year): 2.3%

Industries: Fishing, handicrafts

Source: DFAT Country/Economy Factsheet, CIA World Factbook



OUR IMPACT 2019 HIGHLIGHTS

PTI Australia continued to support and actively look for trade, tourism and investment opportunities for Kiribati. In 2019, PTI Australia worked closely with Kiribati's private sector and government organisations, supporting 22 businesses and facilitating A\$381,351 in exports.

GENERAL

- PTI Australia's General Manager Investment & Tourism, and Project Officer – Tourism & Investment, went on a trade mission to Kiribati to engage with the private sector, highlighting our work across investment, export, tourism and labour mobility, which was followed up with one-on-one meetings with potential enterprises seeking investment and/or considering exporting.

TRADE

- Sourced report on ornamental fish for the Kiribati Government's Ministry of Commerce, Industry and Cooperatives.

INVESTMENT

- Promotion of three investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.

- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

- As part of PTI Australia's Talent Development Program and in partnership with the South Pacific Tourism Organisation, Senior Officer, Research and Statistics, Kiribati Tourism, Nemani Tebana, took part in a tailored six-week program to increase his understanding of the Australian tourism market. The program included meeting our key tourism partners, including Airbnb and Booking.com.
- To increase awareness of Kiribati as a tourism destination in the Australian market, PTI Australia showcased Kiribati at the Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle

and Sydney and continued to support Kiribati's membership to Hidden Treasures, Treasures of the South Pacific.

- PTI Australia's Digital Tourism program continued to support 11 local tourism businesses in the market, driving export sales.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Kiribati.

CASE STUDY



A KIRIBATI FIRST

As part of PTI Australia's Talent Development Program, PTI Australia supported the development of a social media strategy for the Tourism Authority of Kiribati – the first for the Authority and the first for any department in the Kiribati Government.

According to Social Media Examiner, while 97 per cent of small businesses use social media to attract new customers, 85 per cent of business owners are still unsure which social media tools they should use. The Digital 2019 report found that there are 3.48 billion social media users globally, so clearly, social media is an important marketing and sales channel for business.

Tourism Authority of Kiribati, Senior officer – Research & Statistics, Ratu Namani Tebana, said developing the social media strategy was an eye-opening experience.

“Although the Tourism Authority was active on social media, we didn't have a social [media] strategy behind it that ensured our activity was supporting both the Tourism Authority's mandate and communication goals.

“Developing the strategy and through the process of thinking about and writing down our purpose and what sets us apart globally etc., has brought real clarity to the team. It's given us a better understanding of who we are and how we want to be seen in the world. We now have a document that means we are all on the same page and the strategy ensures we are working towards the same goals.”

Ratu Namani said he was really surprised by the social media and e-commerce statistics and the potential market the Tourism Authority had access to if they used those channels effectively.

“I hadn't appreciated how many people use social media and the increasing use of e-commerce. Statista Digital Market Outlook found online travel and accommodation bookings accounted for the largest share of consumer e-commerce spending in 2018, with users around the world spending US\$750b on online travel over the course of the year. This is a growing opportunity that Kiribati can cost effectively tap into.

“We have limited resources and time so the process of understanding the goals we wanted to achieve on social media, looking at who we wanted to target and then narrowing down the best social media channels for us, is really important.

“As well as providing the framework and guiding us through the process of developing our first social media marketing strategy, PTI Australia provided us with training on using Facebook ads, how to track and monitor social media statistics, as well as creating a content calendar to plan out what we are doing and ensuring we effectively engage our target audiences.

“We really appreciate the time and expertise of PTI Australia. We are beginning to implement the strategy and the learning and it's already made a difference. We have seen an increase in followers and in the engagement levels in our posts, which we intend to convert into travellers coming to Kiribati.”

MARSHALL ISLANDS

Capital: Majuro

Land Area: 180 km²

Population: 56,000 (2018)

GDP growth (% change year on year): 2.3%

Industries: Copra, tuna processing, tourism, handicrafts (using seashells, wood, and pearls)

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$159,990
exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia worked closely with the private and public sectors in the Marshall Islands in 2019. Through connecting businesses and capacity building, we facilitated A\$159,990 in exports.

- In partnership with PIFS Smaller Island States Attachment Program, PTI Australia developed a four-week secondment program based at our Sydney office for Terry Keju, Smaller Island States Officer, Marshall Islands, to deepen his understanding of Australia's trade and investment landscape. The tailored program included meetings with Austrade to broaden his knowledge of the Australian market, and discussing the strategies for export and investment used in regional Australia and how these could be applied in the Marshall Islands.
- To increase awareness of the Marshall Islands as a tourism destination in the Australian market, PTI Australia presented at Treasures of the South Pacific roadshow on behalf of Hidden Treasures members in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.

- Promotion of two investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- PTI Australia continued to support the Marshall Islands membership to Hidden Treasures, Treasures of the South Pacific.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

CASE STUDY



POLICY INTO PRACTICE

As part of PTI Australia's commitment to supporting the Smaller Island States and strengthening the business-enabling environment in the Pacific, Smaller Island States Officer, Ministry of Foreign Affairs and Trade, Marshall Islands, Terry Keju, took part in PTI Australia's Talent Development Program in partnership with PIFS Smaller Island Attachment Program.

THE PROGRAM

Terry spent an intensive four weeks based at PTI Australia's Sydney office. With Terry's role in the Marshall Islands focused heavily on policy, the program was tailored to provide Terry with a practical understanding of policy in practice. In Australia, he worked closely with the PTI Australia team to understand PTI Australia's key strategic areas of focus – trade, investment, tourism and labour mobility – and through these, the outcomes PTI Australia has facilitated across the 16 Pacific nations it supports.

Terry gained invaluable insight through the program and valued the opportunities PTI Australia provided that allowed him to spend time with DFAT and Austrade.

"One of the engagements I found very valuable was with Austrade. We were fortunate to participate in a variety of sessions in their Sydney office. The sessions provided an overview of Austrade's policies and implementation activities in relation to their federal and state government engagement. DFAT also provided insightful learnings on their work within the Pacific region and especially SIS.

"Through PTI Australia and making these new connections, I understand the importance of building the right network. I can see the great work PTI Australia is doing in Australia advocating for the Marshall Islands, and how important it is for the Marshall Islands to have the connection with PTI Australia so we can support their work and ensure we can make the most of any opportunities that arise."

THE IMPACT

Through participating in the attachment program, Terry has seen firsthand how important the program is. He has also gained a new perspective that he has taken back with him to the Marshall Islands.

"Being part of the program has really motivated me. I'm very grateful and thankful to my government, PIFS and PTI Australia for this opportunity. It has really broadened my knowledge and understanding. It's an important program that the Marshall Islands needs to be involved in to support us as a SIS to build our capacity so we can continue to improve and grow – especially in relation to trade and investment.

"I felt so welcomed by everyone at PTI Australia. It's like a Pacific family. I've learnt so much professionally in regard to how they work and how hard they work. I've taken this learning back with me and I'm applying the skills I've learnt to my work. I've also presented to my superiors the learning and opportunities I saw in Australia ... of how we can engage with PTI Australia and the Australian Government to be part of initiatives that can support the prosperity of the Marshall Islands."

NAURU

Land Area: 21 km²

Population: 13,000 (2018)

GDP growth (% change year on year): -1.0%

Industries: Phosphates, offshore banking, coconut products

Source: DFAT Country/Economy Factsheet, CIA World Factbook

20
businesses engaged
as part of PTI
Australia mission

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia continued to support and actively promote trade, tourism and investment opportunities for Nauru. In 2019, PTI Australia worked closely with local government bodies to assess opportunities.

GENERAL

- PTI Australia's General Manager Investment & Tourism, and Project Officer – Tourism & Investment, went on a trade mission to Nauru, engaging with the private sector to highlight our work across investment, export, tourism and labour mobility, and following up with one-on-one meetings with potential enterprises seeking investment and/or considering exporting.
- In partnership with PIFS, Smaller Island States Attachment Program, PTI Australia developed a four-week secondment program based in our Sydney office for Assistant Director, Department of Foreign Affairs and Trade, Pacific Division, Nauru, Bobjones Ribauw, increasing his understanding of Australia's trade and investment landscape. The tailored program included meetings with Austrade to deepen his understanding of the Australian market, and discussing the strategies for export and investment used in regional Australia and how these could be applied in Nauru.

TRADE

- Provided feedback on suitability of products and packaging for the Australian market to a Nauru-based exporter.

INVESTMENT

- Provided introduction to Australian Volunteers International for Nauru business seeking investment.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

- To increase awareness of Nauru as a tourism destination in the Australian market, PTI Australia showcased Nauru at Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.
- PTI Australia continued to support Nauru's membership to Hidden Treasures, Treasures of the South Pacific.
- Through PTI Australia's Digital Tourism program, a booking-capable website was built for a tourism operator to increase their capability to reach an international market.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Nauru.

CASE STUDY



MISSION STRENGTHENS RELATIONSHIP

The digital transformation of trade and investment is vast and for Smaller Island States such as Nauru, obtaining an understanding of how these changes affect the international trade and investment environment can be limited.

In June, to support Nauru's private sector, PTI Australia's General Manager – Investment & Tourism, and Project Officer – Tourism & Investment, led a trade and investment mission to Nauru to provide an update on PTI Australia's work across trade, investment, tourism and labour mobility. The team conducted one-on-one meetings with local businesses, providing tailored information and practical tools to increase their capability to become investment-ready and understand the stages of export readiness.

The mission, which was facilitated in partnership with Nauru Department of Foreign Affairs and Trade, enabled PTI Australia to connect and further strengthen its relationships with local businesses. The mission also provided Nauru's private sector with an understanding of the Australian market and its challenges, and also the opportunities that exist for growth through trade, investment, tourism and labour mobility.

Director of Trade, Nauru Department of Foreign Affairs and Trade, Masau Detudamo, said the private sector business owners appreciated the expertise PTI Australia provided to help them grow their understanding of the opportunities available.

"It was of great value to our private sector members to be part of PTI Australia's business mission to Nauru. The feedback from our members was really positive. PTI Australia's engagement was really valuable and helped them to get a better understanding of the Australian market, its expectations and opportunities for growth."

NEW CALEDONIA

Capital: Noumea

Land Area: 18,280 km²

Population: 282,200 (2018)

GDP growth (% change year on year): 2.5%

Industries: Nickel mining and smelting

Source: DFAT Country/Economy Factsheet, CIA World Factbook

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia worked closely with New Caledonia's private sector and government agencies in 2019 to understand the trade, tourism and investment landscape and identify opportunities for collaboration.

- Connected a New Caledonia business to a Fijian cocoa producer.
- Connected with niche New Caledonia businesses in perfume and jewellery looking to expand into the Australia market.

- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

Increased awareness
as an investment
destination

CASE STUDY



MORE THAN JUST CRYSTAL BLUE WATER

New Caledonia is well known for its blue seas, white sand and green palms – the perfect holiday destination. However, in addition to tourism, there is a growing number of boutique industries in New Caledonia. Having successfully established their domestic presence, businesses in these industries are now looking to extend, and with a market nearly 10 times greater than New Caledonia, Australia is an attractive proposition for them.

In 2019, PTI Australia saw an opportunity for two boutique businesses, Coral Cosmetics, and Diam's, to enter the Australian market and worked closely with them, providing market advice and support.

Coral Cosmetics was founded by Marion Habault. A master perfumer, Marion's philosophy is to create exclusive fragrances that transform the wearer. She often works one-on-one with clients to create a bespoke fragrance 'that tells the story' of the person for whom the perfume is intended. This philosophy inspired Marion to create a perfume that captured the essence of the Pacific.

Export Services Manager, PTI Australia, Jodie Stewart, said that there is a growing number of Australian consumers who are very conscious about what goes into their beauty products.

"There's growing demand for natural products in the beauty sector. Marion uses plant-based essential oils as fragrance, which makes her perfumes less toxic than the majority currently on the market. Providing her with a unique point of difference, the exotic blend and her unique Pacific flavour, brings a story to her creations that resonate with younger consumers," said Jodie.

Diam's is a family business that started in 1984 and specialises in the finest quality jewellery creations, repairs, remodelling and custom designs. All their jewellery pieces are designed, made and assembled in the Diam's workshop based in Noumea and sold through their two retail outlets. Diam's provides the Australian market with a unique aesthetic that fuses French classic style with a Pacific perspective.

With Australian consumers shopping more consciously - looking for unique and bespoke pieces, we see the market potential and are working with Diam's to explore it," Jodie said.

NIUE

Capital: Alofi

Land Area: 260 km²

Population: 1,618 (2017)

Industries: Handicrafts, food processing

Source: DFAT Country/Economy Factsheet, CIA World Factbook

OUR IMPACT 2019 HIGHLIGHTS

In 2019, PTI Australia continued to support and actively promote trade, investment and tourism opportunities for businesses in Niue. Through connecting businesses and capacity building in 2019, PTI Australia achieved a record outcome of A\$500,992 in exports.

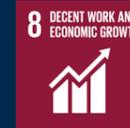
- In collaboration with thecoconet.tv, featured NIUE Vanilla International in a Pacific success business story, driving awareness of the brand internationally.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- To increase awareness of Niue as a tourism destination in the Australian market, PTI Australia showcased Niue at Treasures of

A\$500,992
exports facilitated

the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.

- PTI Australia continued to support Niue's membership to Hidden Treasures, Treasures of the South Pacific.
- PTI Australia's Digital Tourism program continued to support eight local tourism businesses in the market, driving export sales.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

CASE STUDY



GROWING AN INDUSTRY

Based in the heart of Anatalana, Alofi North, on the island of Niue, family-owned business NIUE Vanilla International is a horticultural success story. Their diverse range includes fresh vanilla beans, pure vanilla extract and paste, vanilla powder, vanilla-infused products – including, coconut oil, coffee beans and green tea – and even vanilla vodka.

Vanilla was introduced into Niue in 1991 as a potential export product with funding from New Zealand to help develop the industry. Niue's vanilla industry was decimated when powerful Category 5 tropical Cyclone Heta hit Niue in January 2004. Recovery from Cyclone Heta was incredibly hard for many vanilla farmers – growing vanilla is both labour- and time-intensive because plants need to be hand-pollinated and vanilla pods take six to nine months to mature.

Post-cyclone, Stanley Kalauni, founder of NIUE Vanilla International, was approached by two growers to buy their crops. He was a little reluctant; however, he wanted to support the farmers and the industry. More and more growers approached him, resulting in him buying 100 kilograms of uncured beans. Kalauni saw the potential to revitalise the industry and founded NIUE Vanilla International to cure the beans and begin selling them at the local market and to tourists.

Although Niue's vanilla industry is comparatively small to other vanilla-producing nations such as Madagascar, Mexico, Indonesia and China, Kalauni knew the quality of Niue vanilla was high and began to explore the potential to export. In 2011, NIUE Vanilla International was part of PTI Australia's Pacific Showcase at Fine Food Australia, the company's first time at an international trade show. The feedback, sales leads and exposure confirmed that they were on the right path. The knowledge gained through PTI Australia's Pacific Showcase enabled Kalauni to refine their product offering and understand their export market resulting in export sales and growth. Now the quality of Niue's vanilla is widely recognised internationally and NIUE Vanilla International's export market has grown with exports across the world and international businesses using it in everything from cooking to perfume.

Growing the business through export has enabled NIUE Vanilla International to establish a vanilla farm of 1.2 hectares and to continue to provide a vital income pathway for local Niuean farmers. NIUE Vanilla Organic works closely with over 50 local vanilla farmers to produce premium quality vanilla beans for the international market. The green and matured vanilla beans are sourced directly from local farmers as well their own farm. They are sun-cured for four to five months under strict organic guidelines before being processed and exported to global markets.

PALAU

Capital: Ngerulmud

Land Area: 460 km²

Population: 18,000 (2018)

GDP growth (% change year on year): 2%

Industries: Tourism, fishing, subsistence agriculture

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$1.38m
exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia continued to strengthen its partnerships in Palau, working in collaboration with private sector and government agencies. PTI Australia assisted 22 businesses, facilitating A\$1,384,511m in exports.

- Facilitated introductions and an initial meeting between a Palau company and a potential investor.
- To increase awareness of Palau as a tourism destination in the Australian market, PTI Australia showcased Palau at Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.
- PTI Australia continued to support Palau's membership to Hidden Treasures, Treasures of the South Pacific.

- PTI Australia's Digital Tourism program continued to support 15 local tourism businesses in the market, driving export sales.
- Promotion of an investment opportunity on PTI Australia's online Investment Directory, showcasing the opportunity to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

CASE STUDY



SUPPORTING THE ECONOMY THROUGH TOURISM

The digital transformation of the tourism industry is an opportunity to drive awareness of the Pacific as a tourist destination and for local tourism operators to engage directly with potential tourists. PTI Australia understands the value of tourism to the economies of Pacific nations and that for SIS such as Palau, it can be difficult to access expertise in digital marketing.

General Manager Tourism & Investment, PTI Australia, Chad Morris, said it is vital to maintain a visible presence in the market to help drive tourist arrival numbers.

“Visibility is key. The Pacific is full of beautiful destinations, which Palau is competing with, so it's important that they are active in the market so they remain uppermost in the minds of tourists.”

To support Palau's presence in the international tourism market in 2019, PTI Australia supported a number of initiatives including showcasing Palau at Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast,

Newcastle and Sydney and supporting Palau's membership to Hidden Treasures, Treasures of the South Pacific.

PTI Australia's Digital Tourism program continued to support 15 tourism businesses in Palau helping to drive export sales.

Palasia Hotel Palau experienced year on year room occupancy growth in 2019, Elena Kotik, Reservations Supervisor, Palasia Hotel Palau said being part of PTI Australia's Digital Tourism program has been key to the continued growth of their business.

“We joined PTI Australia's Digital Tourism program in 2017. Having a booking-capable website is so important. It has helped us to connect with international travellers. The ability for them to book and pay directly with us increases our profitability as we don't have to pay commission fees.

“Our website was key to driving bookings in 2019, which has been our best year to date. It's great we can link it to sites like TripAdvisor, which is a trusted referral site and helps to increase awareness and build trust for travellers new to Palau, giving them the confidence to book with us.”

PAPUA NEW GUINEA

Capital: Port Moresby

Land Area: 452,860 km²

Population: 8.4 million (2018)

GDP growth (% change year on year): 3.8%

Industries: Coffee, cocoa, copra, palm kernels, tea, sugar, rubber, fruit, vegetables, vanilla; poultry, pork, shellfish

Source: DFAT Country/Economy Factsheet, CIA World Factbook

149
women-led
businesses assisted

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia worked broadly in PNG in 2019 assisting 165 businesses, with over 90 per cent of these businesses being led or owned by women. Through connecting businesses and capacity building, PTI Australia facilitated A\$33,731 in investments and A\$228,055 in exports.

GENERAL

- In July, in partnership with Austrade, hosted a CEO breakfast and Business Forum for the PNG Prime Minister, James Marape.
- PTI Australia was an active participant of the Australia–Papua New Guinea (APNG) Business Forum.

TRADE

- As the founding sponsor of the Goroka Bilum Festival, the Trade & Investment Commissioner, Caleb Jarvis, supported a buyer mission to the eleventh Goroka Bilum Festival, resulting in the largest single purchase of bilum by a single buyer of A\$9,000.
- Through PTI Australia's partnership with REAL Impact, PTI Australia supported artisans from the Trobriand, Southern Highlands and East Sepik provinces to develop new products and have their work showcased at NY Now, resulting in export orders and sales.
- Provided market advice to numerous PNG businesses (vanilla, cocoa, coffee, spice, chocolate, and coconut oil) and facilitated introductions to Australian importers and buyers.

- Scoping for buyers for PNG vanilla exporter, resulting in an introduction to an importer in Melbourne.
- Connected PNG Bilum Weavers Cooperative with Vanuatu-based buyer.
- General Manager – Exports, Jeremy Grennell, attended and participated in the PNG National Coffee Symposium in May 2019.

TOURISM

- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including three participants from PNG.
- Provided tourism market insight to PNG's new tourism representative in Australia.
- PTI Australia's Digital Tourism program continued to support five PNG tourism businesses in the market and developed a booking-capable website for a tourism business, enabling them to directly reach international travellers.

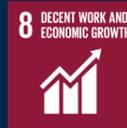
INVESTMENT

- Provided market information, introductions and investment opportunities to Australian investors.
- PTI Australia's Impact Investment Manager led a mission with an Australian Impact Investor to PNG to visit local businesses.
- Facilitated Kiva loans for two PNG creative industry businesses.

- Provided a Queensland investor group with PNG impact investment opportunities.
- Promotion of an investment opportunity on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Trade & Investment Commissioner led and supported an investment mission to Porgera, PNG.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from PNG.



CASE STUDY

REAL IMPACT IN THE PACIFIC

The potential for the creative industry to contribute to economic development is often undervalued in the Pacific. Globally, the artisan market is the second largest employer behind agriculture in emerging economies, with an estimated market size of US\$38b. Artisans are significant contributors to the world's high-end fashion, textile and homeware industries.

PTI Australia saw the potential of building a sustainable creative industry in the Pacific, supporting REAL Impact, a 'profit for purpose' enterprise, to develop ethical and sustainable value chains for artisans in the Pacific.

One of the biggest barriers to Pacific creatives who primarily operate in the informal economy is access to funds to scale up and build. Last year a groundbreaking partnership facilitated by PTI Australia between crowdlending platform Kiva and REAL Impact, bridged this gap by providing an alternative channel for Pacific creatives to access working capital.

Kiva's first loan in Papua New Guinea, for Cathy Cwakama, founder of Cwakama Arts and Crafts, reached its fundraising target of US\$15,250 in

just 14 hours, with over 700 investors and groups on the crowdlending platform investing.

The investment was a decisive turning point for Cathy. Over the past 10 months, through the REAL Impact's *Considered Accelerator* program, Cathy has invested in building the capacity of her community, employing a community manager and two quality control personnel.

"Most businesses in the informal sector of the Pacific are family-run initiatives, with women hidden in the value chain," explained Virginia Bruce, CEO and Founder, REAL Impact.

"Cathy is a leader in her community, bringing her local community together to produce world-class products.

"REAL creates products by combining the existing skill sets of high-quality artisans in the informal economy with design advice to transform products from handicrafts to designer objects and – through small-batch production – deliver these products to global fashion and interior design markets."

Through REAL Impact's *Considered Accelerator*, Cathy has created real income-generating opportunities for her district. Selling to a large overseas market allows Cathy to increase her income as the local markets,

where she previously sold her products, were unpredictable and were only frequented by a small number of tourists and other Southern Highlanders.

"My region is known for its beautiful weaving and woven baskets but our community has faced many challenges. With only local markets available, the community started doing less and less weaving, to the point that this traditional skill had almost stopped being passed down to the next generation."

In August, Cwakama Arts and Crafts products were showcased at the 2019 NY Now trade show by REAL Impact, resulting in several orders and enquiries from leading US homewares companies. Through Cathy's partnership with REAL Impact, products that her weaving community have made, such as REAL Impact's hippie chair, have been sold and delivered to the hotel Casa Cook in Spain and to high-end retailers in the US, Belgium, Japan, West Indies and Australia.

"The lalibu community is now producing a range of product for orders placed through my business by REAL Impact, which is beginning to provide a regular income for the community," said Cathy.

"This is exciting, but there have been many challenges along the way. Instead of working individually to sell products, the villages have had to come together and work to their strengths. For example, some villages are better at raw material gathering and preparation, while others are better at weaving. I worked with the community leaders to pick the best weavers from the region because the weaving needs to be high quality, and we have to have some standard designs. Along the way we have learned that some weavers are better than others, so we now have a buddy system so the better weavers can train the other weavers.

"We have collaborated with Australian designer Darcy Clarke to help us design high-end products such as the lalibu stool that appeal to international customers.

"The people in lalibu community are proud people, and what we have been doing has restored that pride and belief because they know what they are creating adds value to others and their community. I believe that the craft industry in the Pacific is a sleeping giant and thanks to working with REAL Impact, we are waking it up."

SAMOA

Capital: Apia

Land Area: 2,830 km²

Population: 199,000 (2018)

GDP growth (% change year on year): 3.3%

Industries: Agriculture, fishing, manufacturing, tourism

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$4.8m
exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

- PTI Australia has continued to build relationships with the private sector in Samoa in 2019 as well as partnering with the government to further support trade and investment. In 2019, PTI Australia assisted 61 businesses and through connecting businesses and capacity building, facilitated A\$4,807,239 in exports and A\$150,000 in investments.

TRADE

- Introduced six businesses with distributors and buyers in Australia.
- Provided links and reports on noni to the Pacific Horticultural and Agricultural Market Access Program (PHAMA) in Samoa.
- Qualified the export-readiness status of a beverage business looking for packaging support.
- Through PTI Australia's Impact Support Program (ISP), a business was able to complete supermarket audit requirements, resulting in export sales.

- General Manager – Exports travelled to Samoa in August to connect with current and potential clients.
- PTI Australia's support enabled a Samoan business to purchase a sawmill to cut down senile coconut palms and begin a replanting program.

INVESTMENT

- Impact Investment Manager led a follow-up investment mission to Samoa and identified investment-ready businesses for an impact investor.
- Provided information to a diaspora impact investment intermediary regarding opportunities in Samoa.
- Connected Pacific Legal Network (PLN) Australia to businesses in Samoa.
- Provided advice for gender-lens impact investing in Samoa to the Criterion Institute.
- Promotion of five investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Showcased Samoan exporters, Savaii Koko and XOX Pacific Ltd, to impact investors at event held in New Zealand.

- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

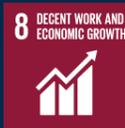
TOURISM

- PTI Australia's Digital Tourism program continued to support 15 local tourism businesses in the market, driving export sales. Booking-capable websites were built for two tourism operators to increase their capability to reach an international market.
- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including four participants from Samoa.
- Tourism Project Officer attended the Beautiful Samoa ROADSHOW 2019.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Samoa.

CASE STUDY



CERTIFICATION DRIVES EXPORT GROWTH

Family business, Natural Food International, was founded by Papali'itele Steve Percival in 1987. On his daily drive to the airport, Papali'itele Steve would see breadfruit rotting on the side of the roads. Noticing how pungent the smell was and saddened by the waste, Papali'itele Steve began to investigate possible other uses for breadfruit. Because breadfruit does not keep for very long and there was an obvious oversupply, it occurred to him that there might be an opportunity to export it frozen.

Natural Food International began exporting frozen breadfruit to New Zealand in one- and two- kilogram bags in 1989. The company has since increased its presence in both the domestic and international markets, extending its product range to include mature coconuts, taro, bananas, and processed products such as taro and banana chips, and breadfruit and banana flour.

PTI Australia began working with Natural Food International in 2016, supporting Papali'i Grant Percival who took over management of the business and supporting him to build the export side of it.

The export market is fiercely competitive. Natural Food International faced increasing pressure from international buyers to have independent audits conducted and appropriate certification in place to comply with market access requirements. As part of PTI Australia's Impact Support Program, Natural Food International achieved its Safe Quality Food (SQF) Program certification, enabling it to renew contracts with major New Zealand and Australian retailers, including Coles, to supply mature coconuts.

The certification has allowed Natural Food International to increase export sales by 28 per cent from 2017 to 2018 and further consolidate with another increase of 20 per cent in 2019, enabling them to increase the number of farmer households they work with from 400 to 600.

Papali'l Grant said he was grateful for PTI Australia's responsiveness. The increase in export sales and long-term contracts has also meant that Natural Food International has been able to pass on the benefits directly to farmers.

"I'm proud to say from 2018 to 2019 we have increased by 100 per cent the price per coconut our farmers receive. This wouldn't be possible without PTI Australia's support and responsiveness in helping us to practically overcome a market barrier."

SOLOMON ISLANDS

Capital: Honiara

Land Area: 27,990 km²

Population: 627,000 (2018)

GDP growth (% change yoy): 2.9%

Industries: Fish (tuna), mining, timber

Source: DFAT Country/Economy Factsheet, CIA World Factbook

A\$1.1m
exports facilitated

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia worked broadly in the Solomon Islands in 2019, assisting 19 businesses – with 26 per cent of those businesses being led or owned by women. Through connecting businesses and capacity building, PTI facilitated A\$1,140,691 in exports.

TRADE

- In September, our General Manager – Exports attended and represented PTI Australia at the Solomon Islands Business Forum.
- Connected two businesses with opportunities through the PTI China office.
- Engaged and qualified a timber exporter in the Solomon Islands.
- Introduced a cocoa exporter to potential buyers in Australia.

INVESTMENT

- Provided an investor with specialised business advice regarding a potential impact investment project in the Solomon Islands.
- Facilitated introduction for Solomon Island company to potential partners for impact investment.
- Connected with a Solomon Island business on potential investment options in Australia.
- Promotion of four investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

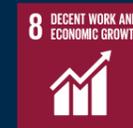
TOURISM

- PTI Australia's Digital Tourism program continued to support six local tourism businesses in the market, driving export sales.
- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including four participants from Solomon Islands.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Solomon Islands.

CASE STUDY



SUPPORTING THE GROWTH OF A NEW SECTOR

Varivao Holdings Limited, a Solomon Islands food and beverage manufacturer, began exporting frozen cassava to Australia in 2016, creating a new export product for the Solomon Islands. Varivao recently participated in PTI Australia's Impact Support Program and with PTI Australia providing the company with both technical and business development assistance, Varivao has significantly increased its production and export sales.

When the business first started processing cassava in 2016, it struggled to both meet demand and the quality required by the export market. All that has changed with PTI Australia's assistance. Dudley said that participating in PTI Australia's Impact Support Program has contributed immensely to the success of the company.

To help Varivao Holdings process quality cassava, PTI Australia provided support to purchase a cassava washing machine. The machine has not only increased Varivao's production capabilities, it also has a positive environmental impact because it uses less water than the previous manual washing process.

"The assistance provided by PTI Australia has been a real boost. Through PTI Australia, we have been able to take our cassava production and processing to the next level," said Dudley.

Today, Varivao Holdings is the leading cassava buyer and processor in the Solomons. While the company has its own cassava farm, it also buys cassava from local farmers to supplement its production in response to the rapidly increasing international demand for this product. Dudley explained that the company helps cassava farmers by providing them with a source of income, as well as employment for those involved in running operations at the factory. He said PTI Australia has helped the company improve productivity but more importantly, it has enabled them to provide more farmers with access to the market.

TONGA

Capital: Nuku'alofa

Land Area: 720 km²

Population: 101,000 (2018)

GDP growth (% change year on year): 4.6%

Industries: Tourism, construction, fishing

Source: DFAT Country/Economy Factsheet, CIA World Factbook

42

businesses assisted

OUR IMPACT 2019 HIGHLIGHTS

PTI Australia continued to strengthen its partnerships in Tonga, working in collaboration with private sector and government agencies. PTI Australia assisted 42 businesses, improving on its 2018 results, facilitating A\$5,734,696 in exports.

TRADE

- Provided specialised advice on distributor management and market requirements to three Tongan businesses.
- Conducted a trade mission to Tonga, meeting with businesses and providing advice on channels to market.
- Introduced three businesses to buyers and distributor in Australia.
- Through PTI Australia's Impact Support Program (ISP), supported a business to set up a frozen foods processing facility in Tonga.

INVESTMENT

- Provided the Pacific Business Trust with impact investment advice regarding opportunities in Tonga.
- Provided a diaspora impact investor with information and business introductions in Tonga.
- Provided the Tongan High Commission in Australia with an update on impact investment opportunities.
- Promotion of an investment opportunity on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.
- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.

- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

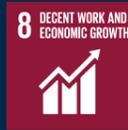
TOURISM

- In September, 20 tourism operators attended PTI Australia Digital Tourism workshop in Nuku'alofa. Attendees received expert training and advice on creating an effective online presence and managing online booking systems.
- To increase awareness of Tonga as a tourism destination in the Australian market, PTI Australia showcased Tonga at Treasures of the South Pacific roadshow in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.
- PTI Australia continued to support Tonga's membership to Hidden Treasures, Treasures of the South Pacific.
- PTI Australia's Digital Tourism program continued to support five local tourism businesses in the market, driving export sales.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Tonga.

CASE STUDY



EMPOWERING TONGAN BUSINESSES THROUGH IMPACT INVESTMENT

With extensive networks in the Pacific business community, PTI Australia collaborated with Pacific Readiness for Investment in Social Enterprise (Pacific RISE) to connect Tongan businesses to a new impact investment fund – supporting economic development and helping to stem the flow of people and skills leaving the region.

Good Return has been working in the Pacific since 2005, empowering communities and businesses through increasing access to responsible, inclusive financial education. Over the last two years, having identified a ‘missing middle’ in the business community – those too large for microfinance but unable to obtain commercial lending due to structural barriers and capacity building needs – Good Return launched its first impact investment program first in Solomon Islands and then in Tonga.

In the program, Good Return works with financial service providers to de-risk loans to businesses that may otherwise fall short of accessing this commercial capital. The organisation typically

does this through building enterprises’ capacity and providing a loan guarantee – reducing the risk to the financial service provider.

Over time, it is anticipated that increasing investment in these under-served businesses, supported by Good Return’s loan guarantee scheme, will help to influence future risk assessments and remove the need for Good Return’s loan guarantee.

Gender lens investing is integral to Good Return’s impact investment program and it works with financial service providers to build awareness and address barriers to access (particularly for women) and improve products and services which respond to both women’s and men’s needs and preferences.

In Tonga, Good Return partnered with the Tonga Chamber of Commerce and Industry to support the vanilla farmers of ‘Eua Island to enhance their financial skills – running training sessions with both husband and wife on cashflow, forecasting and budget management and providing coaching with the farming couples to develop their business plans before they applied for a loan.

PTI Australia introduced the Good Return team to Heilala Vanilla – the largest buyer of vanilla in Tonga. With Heilala Vanilla as a guaranteed buyer, Good Return and Tonga Chamber of Commerce and Industry were able to support three ‘Eua vanilla farming couples to develop

their financial skills and business plans to successfully access finance through the Tonga Development Bank.

To date, these loans have been used to buy farming tools and fencing – helping farmers increase productivity by protecting their crops from theft and roaming livestock.

Although Good Return’s impact investment program is new, this increased productivity through Heilala Vanilla as a guaranteed buyer of the crops, could lead to increased demand for seasonal workers on ‘Eua Island, and may give farmers the opportunity to acquire more land through increased business profits.

More broadly, these changes could help stem the flow of people and skills leaving Tonga and reduce reliance on remittances.

Pacific Regional Manager at Good Return, Jessie Fisher, said “The real goal for our impact investment program is to support job growth in rural and remote communities so people don’t need to migrate to find work, by supporting businesses to innovate and grow into the future.”

“We’re growing this program and learning a lot. Having partners like PTI Australia and Pacific RISE is very important because they’re so engaged in the Pacific and have incredible networks.

“It’s a collaborative, open relationship where all sides are working to get the best for Pacific entrepreneurs – whatever stage they are at.”

TUVALU

Capital: Funafuti

Land Area: 30km²

Population: 11,000 (2018)

GDP growth (% change year on year): 4.1%

Industries: Fishing

Source: DFAT Country/Economy Factsheet, CIA World Factbook



OUR IMPACT 2019 HIGHLIGHTS

PTI Australia actively worked with Tuvalu's private sector and government agencies, increasing export sales facilitated by 50 per cent from 2018 to A\$84,792 in export sales in 2019.

GENERAL

- PTI Australia's General Manager Investment & Tourism, and Project Officer – Tourism & Investment, conducted a trade mission to Tuvalu to engage with the private sector, highlighting our work across investment, export, tourism and labour mobility, and following up with one-on-one meetings with potential enterprises seeking investment and/or considering exporting.

TRADE

- Redesigned and modified two product labels for Tuvalu toddy exporter.

INVESTMENT

- Promotion of an investment opportunity on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.

- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

- In partnership with the Tuvalu Government, developed and launched the Tuvalu National Tourism website.
- To increase awareness of Tuvalu as a tourism destination in the Australian market, PTI Australia presented at Treasures of the South Pacific roadshow, on behalf of Hidden Treasures members in Adelaide, Melbourne, Brisbane, Gold Coast, Newcastle and Sydney.
- PTI Australia continued to support Tuvalu's membership to Hidden Treasures, Treasures of the South Pacific.

LABOUR MOBILITY

- Visits to regional Australia were conducted throughout the year to promote the Pacific Labour Scheme (PLS) to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Tuvalu.

CASE STUDY



CAPITALISING ON THE WORLD SPOTLIGHT

In the Smaller Island States of the Pacific, tourism continues to be a vital generator of economic growth and local employment.

In August 2019, the Pacific Islands Forum Secretariat leaders meeting was held in Tuvalu. To capitalise on the global attention Tuvalu received, PTI Australia worked closely with the Tuvalu Government to develop and launch its tourism website, Timeless Tuvalu.

Assistant Tourism Officer, Tuvalu Department of Tourism, Ministry of Foreign Affairs, Trade, Tourism, Environment and Labour, Tebby S Esekia, said the meeting provided an opportunity to raise awareness of Tuvalu as a tourist destination; however, in order to capitalise on this and extend that awareness to the international tourism market, it was vital that Tuvalu had a website to showcase what it has to offer.

"The eyes of the Pacific were on Tuvalu for the leaders meeting and we were so proud to have launched our website, showcasing to the world all that Tuvalu has to offer.

"We are thankful to PTI Australia for their expertise and support in launching our website and promoting Tuvalu as a must-see tourist destination."

The launch of Tuvalu's tourism website was timed to coincide with a tourism roadshow on Australia's Gold Coast and in Brisbane, where as part of Treasures of the South Pacific, PTI Australia is representing the Pacific's Hidden Treasures – Tuvalu, Kiribati, Tonga, Nauru, Niue, Marshall Islands, Palau and the Federated States of Micronesia – raising awareness of the Smaller Island States to Australia's tourism sector.

Chad Morris, General Manager Investment & Tourism, PTI Australia, said raising awareness of local tourism offerings through multiple channels is vital.

"There is a growing interest in the Pacific from the Australian market, with a 5.1 per cent year-on-year increase in travellers to the major South Pacific destinations in the first four months of this year. Tuvalu can capitalise on these travellers who have had a taste of the Pacific and show them what makes visiting the Pacific's hidden treasures like Tuvalu a unique experience and [why it should be] their next holiday destination."

VANUATU

Capital: Port Vila

Land Area: 12,190 km²

Population: 285,000

GDP growth (% change year on year): 3%

Industries: Food and fish freezing, wood processing, meat canning

Source: DFAT Country/Economy Factsheet, CIA World Factbook



OUR IMPACT 2019 HIGHLIGHTS

PTI Australia worked extensively in Vanuatu in 2019, engaging with and assisting 25 Vanuatu businesses and through connecting businesses and capacity building, facilitated over A\$2,444,380 in exports and A\$2,016,040 in investments.

GENERAL

- PTI Australia's General Manager Investment & Tourism participated as a panel member at the Santo Special Economic Zone Conference.
- Sponsorship and technical support of the sixth Australia Vanuatu Business Forum.

TRADE

- Delivered a Digital Trade workshop in Port Vila to over 50 participants.
- Connected a Sydney-based distributor visiting Port Vila with enterprises looking to export to the Australian market. Discussions are continuing with distributor.
- Developed product packaging for four frozen root products and a new line of bottled kava.
- Facilitated discussions with a Sydney-based distributor for an exporter's products.
- Supporting a Vanuatu skincare business with their listing on Amazon US-Marketplace.
- Conducted an export mission to Vanuatu, meeting with 11 exporters to discuss

opportunities in the Australian market. Products include chocolate, rum and perfume.

- Our General Manager – Exports, and Export Services Manager, attended the launch of the first business incubator – YuMi Work opened by the deputy prime minister in Port Vila.

INVESTMENT

- Facilitated investments into two Vanuatu businesses.
- Introduced a Vanuatu enterprise to DFAT and other impact investment intermediaries.
- Introduced a Vanuatu chocolate company to an impact investment intermediary.
- Introduced an investor to the Vanuatu Investment Promotion Authority (VIPA) at the Australia Vanuatu Business Forum in Port Vila.
- Provided an investment client with a preliminary report detailing information on how to do business, competitor analysis, and identifying opportunities. Also provided a list of qualified lawyers.
- Identified impact investees for an impact investment fund.
- Promotion of six investment opportunities on PTI Australia's online Investment Directory, showcasing opportunities to prospective international investors.
- Partnered with Pacific RISE to deliver a panel session – Opportunity Knocks: Impact, Gender and Power in the Pacific – at the Impact Investment Summit Asia Pacific held in November. The session aimed to increase awareness of the Pacific as an impact investment destination.

- PTI Australia, in partnership with IIX, supported Future 500 Fellowship program in the Pacific.
- Increased awareness of the Pacific as an investment destination through an advertorial in two major Australian newspapers and an article in *Forge* magazine.

TOURISM

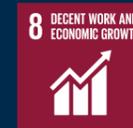
- PTI Australia's Digital Tourism program continued to support nine tourism businesses in the market, driving export sales, and two Vanuatu tourism businesses to develop booking-capable websites.

- In partnership with the East-West Center in Hawaii, PTI Australia delivered two virtual Digital Tourism workshops to 31 participants representing 10 Pacific nations, including two participants from Vanuatu.

LABOUR MOBILITY

- Six Vanuatu workers were recruited to work at Hayman Island Resort under the Pacific Labour Scheme (PLS).
- Visits to regional Australia were conducted throughout the year to promote the PLS to Australian employers. The focus of the visits was to increase awareness of the PLS and the benefits of recruiting semi-skilled employees from Vanuatu.

CASE STUDY



A PORTAL TO THE WORLD

Located on stunning Tanna Island, Tanna Evergreen Resort began as a labour of love when the Numake family decided they wanted to use their family land to build something that would not only generate income, but help to secure their family's future.

It took nearly two years to clear the land and build the first stage of Tanna Evergreen. Their initial accommodation offering was a tent and four basic bungalows, and they employed three part-time staff.

In 2015, Cyclone Pam devastated Tanna Island, Tanna Evergreen Resort and Vanuatu's tourism market. The Numakes had to decide if it was financially viable to rebuild. Still passionate about Tanna Evergreen, at the start of 2016 the Numake family brought in external expertise to help them rebuild and implement a sustainable business growth strategy.

While part of that growth strategy included upgrading the accommodation, expanding to 30 rooms and building a swimming pool, Tanna Evergreen also joined PTI Australia's

Digital Tourism program in July 2016. Being part of the program enabled them to build a booking-capable website, giving them the ability to reach the international tourism market directly and increase market awareness of their accommodation offering.

Tanna Evergreen Marketing Manager, Stephanie Webb, said Tanna Evergreen's website developed through PTI Australia's Digital Tourism program has been a key tool helping to drive the year-on-year growth of the resort.

"Having a website so that customers can book directly with us as well as being able to link to online travel agencies has been key to our growth. The platform allows us to easily take control of our offerings. We have the flexibility to run specials during low season, and use the inbuilt features of the booking engine, such as a 10 per cent early bird special for any guest who books their accommodation at least two months prior to check-in, and the 'On Request' feature where a request for a booking can still come through and we can contact the potential customer even if the resort is at full occupancy.

"Being part of PTI Australia's Digital Tourism program has given us the tools to confidently market and grow awareness of what we offer on Tanna. This growth has seen us double our number of employees from 20 in 2016 to 50 in 2019, which has had an immense impact on the families that live on Tanna."



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