

AGRICULTURE MINISTER'S SEMINAR SERIES



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ROOT CROPS: GLOBAL PICTURE AND ECONOMIC POLICY IMPLICATIONS FOR PNG

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Outline

1. Agri-food chain
2. Global market situation: 2020-2022
3. Projected market situation: 2032
4. Root crop production in PICs
5. Key points
6. Economic policy implications for PNG

Agri-Food Chain

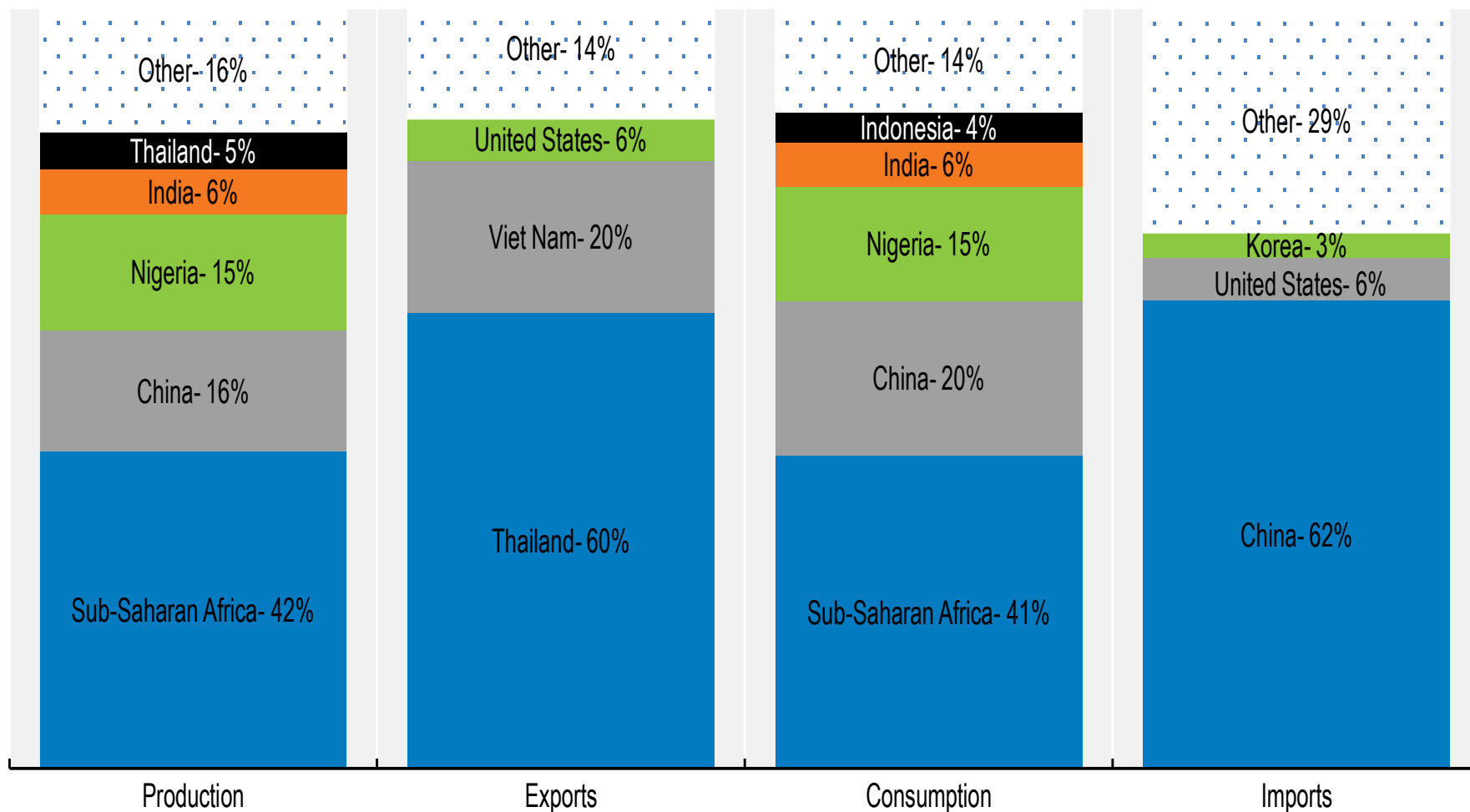
1. Food production
2. Food processing
3. Packaging
4. Logistics
5. Distribution (wholesale & retail)
6. Consumption
7. By-products

Market situation: 2020-2022

1. Total production: 251 Million metric tonnes (Mt)
2. Top two regions: Asia with 102 Mt and Africa with 100 Mt
3. Uses: food, feed, biofuel, and starch.
4. 15 Mt traded globally: Perishable nature restricts trade.
5. Main exporters: Thailand and Vietnam
6. Main importer: China

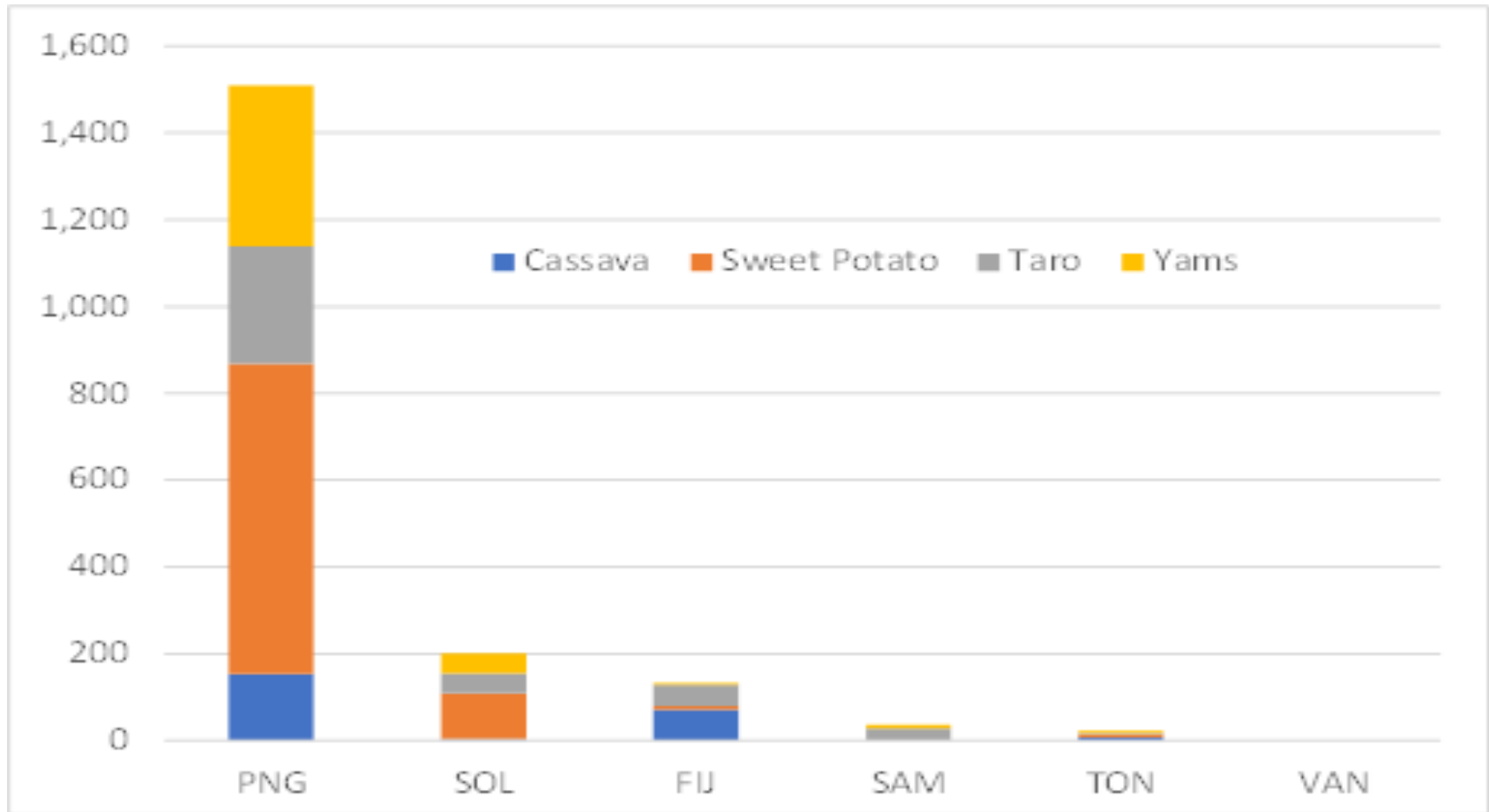
Source: OECD-FAO Report

Projected market situation for 2032 for root crops



Source: OECD-FAO

Average production of root crops in PICs, 2015-2019 (‘000 tonnes)



Source: DFAT/AUSAID

Summary Points

- ❑ Address each aspect of the Agri-food chain
- ❑ Asia and Africa regions dominate production, consumption and trade (exports and imports).
- ❑ For PICs, PNG is the best performing producer of root crops.
- ❑ PNG can take advantage of economic possibilities for root crops for domestic consumption and for trade.
- ❑ Value-add should be a focus.

Economic Policy Implications for PNG

- ❑ If PNG is to advance the commercialisation of root crops, then relevant economic policies must work effectively.
- ❑ Relevant economic policies include: Agriculture policies, International trade policy, Fiscal Policy, Monetary Policy, SME Policy and Employment Policy.
- ❑ Sector policies to address supply-side constraints is critical.
- ❑ Partnerships in policy formulation and implementation is important.