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Market Link

for primary producers

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Samoa Nonu

Samoa is one of, and possibly the only country in the world where nonu grows wild. This provides significant benefits as it is easily grown and produces a high quality crop.

The Nonu plant is widely known as Noni and other various names such as Beach Mulberry and Indian Mulberry depending on its geographical location. And its scientific name is *Morinda citrifolia*.

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Nonu plants grow into tall straight stems to produce dark green elliptical leaves, white plumeria-like flowers and green Nonu fruits which can grow up to 9 centimeters. The fruit holds many nourishing nutrients which are extracted and bottled to produce 100% SAMOAN NONU Juice.

Morinda citrifolia (Nonu) grows extensively throughout the Pacific and is widely used as a traditional herbal medicine in almost all Pacific Island societies. In recent years, nonu has become increasingly popular as a health food drink in developed countries around the world. Commercial production of *Morinda citrifolia* products in the Pacific began in the mid-1990s with a Utah; US based Company, sourcing fruit juice from Tahiti. High prices being paid for the fruit particularly in juice form attracted several countries in the Pacific to commence their own commercial production and export.

Interested agri-business entrepreneurs in Samoa have participated in developing the industry resulting in the success of the processing and exporting of nonu products. They have supplemented their knowledge and skills with appropriate technical skills support. Their willingness to innovate and take risks has been invaluable for the development of the Nonu industry.

Local Production

Nonu (or Noni) is an evergreen shrub or bush that can grow to a height of between 3 – 7 meters. The fruit looks like a green grenade which is covered with reddish brown seed pits that give it a lumpy texture. The fruit starts green, turns yellow, ripens to whiteness & falls from the tree. The tree

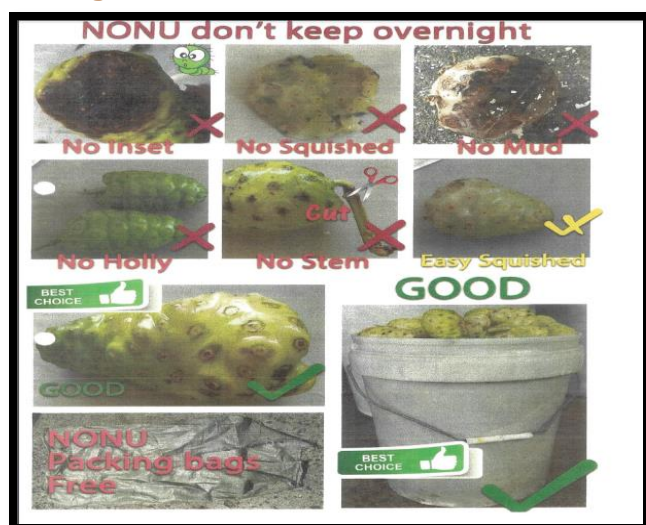
...enhancing partnerships to develop & sustain agriculture and fisheries...

bears fruit all year round. Once one fruit is picked, a new one will take its place after only 4 weeks.

Nonu fruit is produced by village farmers in small cultivated plots, collected from wild plants growing on/around village farm land and backyards, and on dedicated farms owned by Nonu processors. The fruit is collected from almost all the districts both Savaii and Upolu directly by processors at the farm gate for spot prices. Processors also utilize village agents to notify farmers/collectors of their needs and to help organize purchases of fruit. Radio broadcasts are sometimes used to alert farmers of processors buying needs.

Some farmers /collectors deliver fruit directly to processing factories and receive spot price cash payments. Samoa Nonu Enterprise has spent in excess of 1 million tala in 2022 to purchase the fruit, this will increase considerably this year for them as increased competition has meant for them to raise the purchase price to the farmers. This has had an immediate effect on their costs and has meant an increase in sell price to their customers. Samoa Nonu Enterprise has added \$1.00 to their original price of \$10.00 a barrel for farmers who deliver their Nonu personally to their company. Other company, have paid by weighing the fruit and paying approximately .80 sene a kilo.

Figure 1:



¹ (Vui, 2018)

Figure 1: Types/criteria of Nonu accepted by one of the nonu processors-Skyline Samoa.

With the increased number of Nonu processors exporting Nonu in Samoa, there is now competition between them in buying Nonu from the farmers. The local farmers are aware of the importance and value of Nonu, that the majority have been collected and supplied to the processors. They have also started growing and planting nonu plants. When harvesting, it is easier to pick where children and mothers can just collect them from their backyards. Although the number of farmers is about the same as in the past, some nonu processors have encouraged other farmers through the Farmers Federation to help plant the fruit for more availability in the future. The industry has been proactive and dynamic among the farmers in which the Ministry of Commerce, Industry and Labour and the CODEX Alimentarius Commission has also played a role in it by developing the Samoa Nonu Standard to provide guidance on minimum requirements for Nonu quality to all exporters of the Nonu. It also stipulates guidelines for health and safety measures.

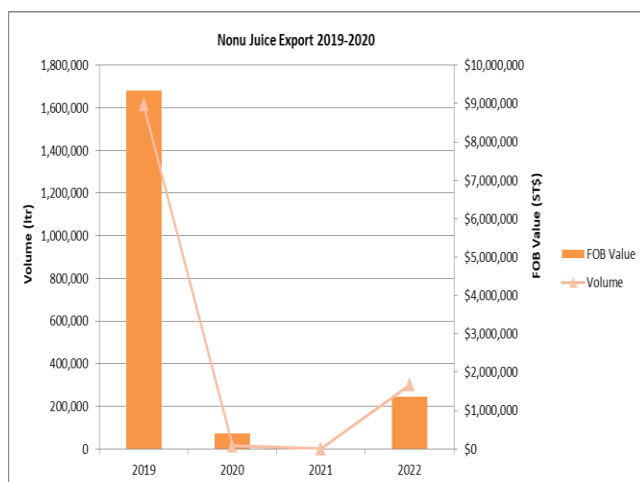
Market Information

The Nonu economic exchange system is market driven with international market demand and prices being the key drivers attracting and sustaining local agri-business participation in the value chain². Initial comparative advantage based on widespread availability of Nonu is now being eroded through increased competition from new entrants on the international market; thus more efforts needed in maintaining competitiveness in a changing world market.

The Nonu Juice is one of the major exported products for Samoa back before covid 19 struck; and the industry reached a peak of Nonu juice production in 2019 supplying a volume of 1,613,311 liters. However, it dropped down instantly in the following year for more than ninety percent due to covid 19 outbreak. This was due to covid restrictions

² (SBS Trade Data, 2003)

that limited the number of shipments going out of the country for exportations. The export of nonu juice continued to decrease until the end of 2021, then a slight increase in 2022 of 5% when most of the covid 19 restrictions had been lifted.



Source: Samoa Bureau of Statistics

Taro dominate the large segments of export composition at the time³. More than 40% of the total export volume from all the export commodities/products was from exporting of Taro, 22% was from exporting of Fresh fish and on the 3rd place is exportation of Nonu Juice of more than 15%. Nonu juice is one of the major products in the export composition of Samoa and is still increasing every month.

According to the CEO of Samoa Nonu Enterprise, the industry was extremely affected by covid restrictions, and it is slowly picking up its base since most of these restrictions were lifted at the end of 2021. ⁴Exporting for his company will be at least 10% higher than 2021, which he believes other Nonu export companies are going to be ahead of last year's sales. There are increased sales to Korea, USA, China, Europe and small sales to NZ and Australia.

One of the largest processors, Skyline Samoa has been sending three containers per month within a year from the one container/month when they first started before covid strike. The same goes to other processors as well. Market

demand is very high and that farmers have been collecting the fruit daily. Thus, Nonu Industry in Samoa is potentially promising for the future.

The purchases of unripe and moko fruit is against ALL BEST PRACTICE of any Nonu company throughout the industry worldwide. The quality of fruit used has a major effect on the quality and taste of the juice. Farmers harvesting unripe and moko nonu fruits is one of the major problems for the industry, no matter how hard the processors advise them not to. The processors have been trying to take unripe and moko fruits causing them to still buy the fruit so they won't lose their customers. This concerns the Samoa Nonu Association and SAME (Samoa Association of Manufacturers and Exporters) by warning the local processors to ensure the collecting and processing of the Nonu is of good standard and quality so it won't black mark Samoa's reputation in the trading market.

According to research, other Pacific Island countries have also been involved in the Nonu product export industries but none have rivaled Samoa's success⁵. Production in Cook Islands and Niue has largely been in plantations integrated to processors/exporters. The level of vertical integration in the value chain will impact on the potential backward linkages to the rural economy. The competitiveness of Pacific Island countries in the international Nonu trade would be similar to the factors that are affecting Samoa's Nonu industry.

The global market for Nonu is reportedly contracting at the same time as companies from the Philippines, Malaysia and India are entering into production. This could stress out Samoa's Nonu industry since these countries have good processing capacity and the ability to reduce unit cost of raw materials under plantation mode of production.

Opportunity to scale up Nonu production in Samoa is ultimately dependent on the international market demand and price. A more predictable (and possibly increased) demand might be:

³ (SBS Trade Data, 2003)

⁴ (Vui, 2018)

⁵ (SBS Trade Data, 2003)

- Establish supply contracts with global distributors.
- Increase the efficiency, organization and innovation in the supply chain.
- Increase both land and labour.
- Establish a profile and gross margin for Nonu production under different management systems in order to better inform farmers on ways to lower output costs whilst also improving returns to effort⁶.
- Coordination of farm supply with processor demand is another area which could be improved.

Active Samoa Exporters of Nonu:

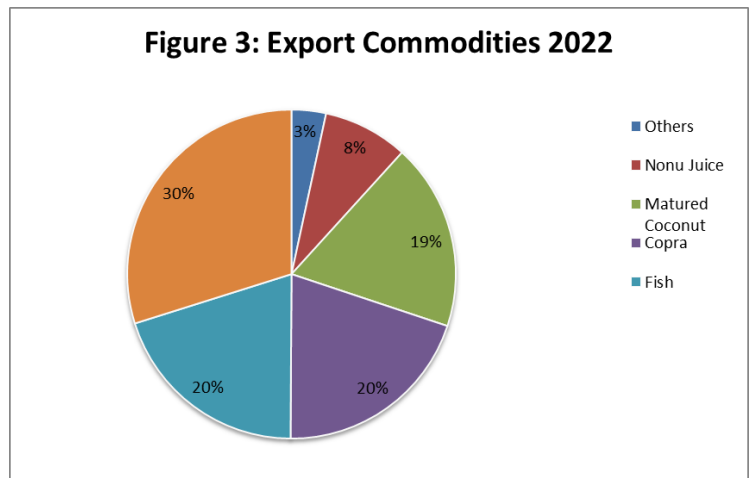
- ❖ Nonu Samoa Enterprise
- ❖ Wilex Samoa
- ❖ Skyline Samoa
- ❖ R. Keil Holdings
- ❖ Richard Brown
- ❖ Nonu Delights

Uses of Nonu

Nonu and its use is not confined only by its fruit, in fact all parts of the nonu plant are used. Leaves, stem, seed, flowers and roots all have various uses throughout the Polynesians.

Nonu has traditionally been used for colds, flu, diabetes, and high blood pressure, as well as for depression and anxiety. All plant parts are used for a variety of illnesses in Samoan culture, and nonu is one of the most frequently used Hawaiian plant medicines. Claims that have not been proven in clinical trials include: the use of bark for the treatment of bacterial infections, cough, diarrhea in infants, and stomach ailments; the flowers for sore or irritated eyes, styes, conjunctivitis, ocular inflammation, and coughs; the fruit for asthma, wounds, broken bones, mouth and throat infections, tuberculosis, worms, diarrhea, fever, vomiting, eye ailments, arthritis, depression, seizures, bacterial and fungal infections, viruses, and as a tonic; the fresh fruit juice for cancer; the dried leaves used

externally for infections, burns, children's chest colds, and inflammation, and internally for boils, pleurisy, inflamed gums, and arthritic pain; the fresh leaves used externally for burns and internally for fevers, hemorrhage, bacterial infections, and inflammation; and the roots for oral ulcerations, fevers, and cancerous swellings.⁷



⁶ (SBS Trade Data, 2003)

⁷ Noni Uses, Benefits & Side Effects – Drugs.com

Table 2: Nonu SWOT (strength, weakness, opportunity, threats) Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Nonu easily propagated, grows profusely and fruits year round. • Perennial tree-crop with potential to enhance environment • Easily integrated in traditional farming system. • Currently requires no external inputs and low management to sustain a yield. • No serious pest and disease problems to date • A low risk commercial crop with easy entry and exit for village farmers. • Significant area of land certified for organic production. 	<ul style="list-style-type: none"> • Limited knowledge on horticultural management of the tree to maximize and sustain yields and improve productivity. • Not a priority crop for government research and extensions services. • Limited capacity at both farm level and processor level to efficiently dry fruit. • Lack of coordination in production, processing and marketing • Not enough supplying to meet the market demands. Low number of nonu farming. • It takes 5-8 weeks for the shipment to take place from Samoa to the Asian countries, which is too long. • More government assistance and support
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Agronomic research and extension to improve farm productivity • SROS support for product development and quality analysis • Expansion of organic production/certification • Branding and possible fair trade label • Diversification of products • Trade facilitation support under EPA, PACER-PLUS and other development partner programmers • Support for improved fruit drying technology 	<ul style="list-style-type: none"> • Increased competition on international market coupled with falling prices • Loss of consumer confidence/interest in nonu products • Failure to meet market SPS standards • Possible negative health issues due to lapse in food quality standards • Depressed farm production due to outbreak of pests/diseases or other natural disaster

Source: Nonu MIS 2014

Table 3: **Average Prices at the Fugalei Market**

Commodities (SAT\$/kg)	June 2023.	July 2023.	Lowest Price for 2023 to date	Highest Price for 2023 to date
Taro	4.75	5.76	3.74	5.76
Banana	2.02	2.5	1.31	2.5
Ta'amu	22.83	13.04	5.04	22.83
Coconut	0.9	1.12	0.8	1.12
Breadfruit	3.57	5.98	1.06	5.98
Yam	5.92	7.06	5.37	7.35
Head Cabbage	15.79	15.29	13.16	17.02
Tomato	27.88	31.07	20.49	34.32
Chinese Cabbage	11.56	10.55	9.06	11.56
Cucumber	8.29	8.72	6.38	8.72
Pumpkin	7.01	7.95	3.91	7.95

Source: Samoa Bureau of Statistics

Table 4: **Foreign Currency per Tala (SAT\$)**

Jul-Sep 2023	USD\$	NZD\$	AUD\$	YEN\$	FJD\$	EURO
1 Samoan Tala SAT\$=	0.359	0.613	0.565	53.31	0.808	0.331

Source: Bank of South Pacific

Market Link Newsletter

This newsletter is published bi-monthly and it seeks to assist stakeholders (farmers, consumers, wholesalers, policymakers) make informed market and marketing decisions based on credible, relevant price and supply information. Help us help you by providing constructive feedback on market information issues that will improve the service which will lead to growing a healthy and wealthy Samoa. For more information contact the Policy, Planning and Communication Division and ask for Losan Madar.

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