



A GUIDE FOR THE SOLOMON ISLANDS

Exporting Agricultural Goods to Australia

INTRODUCTION

Solomon Islands and Australia have a long-standing relationship. The two countries are strong security, development, and economic partners, which is affirmed through the Pacific Agreement on Closer Economic Relations Plus (PACER Plus). PACER Plus is a regional development centered trade agreement between Australia/New Zealand and eight Pacific countries, including the Solomon Islands.

Agriculture is a vital source and guarantor for food security, employment, and a contributor to the Solomon Islands economy, accounting for 16% of the country's Gross Domestic Product (GDP). The Solomon Islands has an abundant production potential for a wide range of agricultural goods, with a strong base export-oriented commodities including cocoa, copra, and kava. To drive the country's agricultural exports, the Government has developed the 10-year Solomons Islands Agriculture Sector Growth Strategy and Investment Plan 2021–2030.

This guide aims to support you—a Solomon Islands agricultural export ready company—to understand the process of exporting agricultural goods from the Solomon Islands to Australia by laying out, in practical terms, Australian importing requirements and processes. The guide assumes that you have already conducted the necessary market research and are ready to export.

TRADING WITH AUSTRALIA

Australia is a large and stable market for Solomon Islands agriculture and related products, with one of the highest per capita expenditures in the world. It is by far the largest market in the Pacific region with more than 25.5 million consumers, including 337,000 citizens of Pacific heritage. The three eastern states of Queensland, New South Wales, and Victoria (whose capitals are Brisbane, Sydney, and Melbourne) present the most attractive and accessible markets in Australia, representing 45% of the national population, with direct freight routes from the Solomon Islands. As the world's food is increasingly being produced within global production networks, Australia's value chains offer Solomon Islands agriculture exporters new opportunities. You can use this guide and the links to help you understand what is needed to get your goods successfully into Australia.

AT A GLANCE: Trading with Australia

- Largest market in the Pacific region with more than 25.5 million consumers
- 337,000 citizens of Pacific heritage
- Three eastern states of Queensland present the most attractive and accessible markets in Australia, representing 45% of the national population



An aerial view of ships and boats anchored at the harbour in Honiara, Solomon Islands. © Gilmore Tana/iStock

1. Preparing to Export to Australia

SOLOMON ISLANDS

Solomon Islands agricultural companies that want to export to Australia should become familiar first with the Solomon Islands export regulations and processes. The three key bodies in the Solomon Islands responsible for regulations surrounding exports, as well as providing any necessary export permits are:

- [Solomon Islands Commodities Export Marketing Authority \(CEMA\)](#) – regulatory functions include export licensing (license conditions, procedures, documentations, and fees), quality assurance (commodities inspection, grading regimes, commodities quality standards) and other certification (commodities quality certification, processing and storage facilities, certificate of origin, certificate of cleanliness, certificate of readiness, letter of declaration);
- [Ministry of Health \(Environmental Health Department\)](#) – health certificates;
- [Biosecurity Solomon Islands \(Ministry of Agricultural and Livestock\)](#) – sanitary or phytosanitary certificates and biosecurity export clearance.

In addition to the above authorities, the Solomon Islands Government has also implemented the [Solomon Islands Trade Portal](#) to assist with trade facilitation under the PACER Plus agreement. The portal provides a central location of information about the process, fees, requirements, and relevant government departments for exporting commercial goods from the Solomon Islands. The [Solomon Islands Chamber of Commerce and Industry](#) is also a good resource for information.

If your goods require fumigation, there are currently no registered treatment providers in the Solomon Islands under the [Australian Fumigation Accreditation Scheme \(AFAS\)](#). Treatments from unregistered treatment providers in the Solomon Islands will be accepted by the [Department of Agricultural, Fisheries and Forestry \(DAFF\)](#), but they must follow the treatment requirements outlined in the [Australian Biosecurity Import Conditions \(BICON\)](#). Although unregistered, the [Solomon Islands Port Authority \(SIPA\)](#) provides fumigation services. It is recommended to reach out to them to see if they can assist with Australian fumigation requirements with your specific product.

Once you understand the Solomon Islands export requirements, the next step is to familiarize yourself with Australian importing requirements. These may vary depending on the product you are exporting.

AUSTRALIA

All agricultural goods imported into Australia must be cleared by the [Australian Border Force \(ABF\)](#) and in most cases the [Department of Agricultural, Fisheries and Forestry \(DAFF\)](#). Australia has strict regulations in place to protect Australia from biosecurity risks across a wide range of products and commodities. Before exporting you must check [ABF](#), [Food Standards Australia New Zealand](#), [DAFF](#) and [BICON](#). The BICON search platform will provide guidance on the import conditions for any particular food, plant, animal, or mineral products.

1.1 CLASSIFYING YOUR GOODS

It is important early on when exporting to identify the correct tariff code (Harmonized Systems (HS)). All goods imported into Australia require a classification under the Customs Tariff Act 1995 (Cth). The first six digits are the internationally recognized harmonized system (HS) code, the seventh and eighth digits are added by the Department of Home Affairs to allow different rates of duty applied to goods, and the ninth and tenth digits are for the statistical purposes of the Australian Bureau of Statistics. The HS code is used by customs authorities, customs brokers, and freight forwarders to determine customs duties, taxes, and regulations. The internationally recognized HS code can be found at [World Trade Tools](#), and the [Solomon Islands Trade Portal](#). [Australian Border Force](#) will guide you to Australia specific codes.

The following HS codes are examples for Kava, Copra, and Cocoa:

- Kava: [1211.90.10.13](#) (fresh or dried)
- Copra: [1203.00.00.04](#) (copra)
- Cocoa: [1805.00.00.06](#) (cocoa powder, not containing added sugar or other sweetening matter)

The Australian Government has developed Kava-specific market access information.

Kava market access information:

- [Department of Agriculture, Fisheries and Forestry](#)
- [Department of Health](#)
- [Department of Foreign Affairs and Trade](#)

1.2 UNDERSTANDING SANITARY AND PHYTOSANITARY MEASURES

Australia has strict health, safety, and technical regulatory requirements (often referred to as sanitary and phytosanitary measures). The extent of responsibility in meeting these requirements is defined by the terms of the contract between the buyer (in this case, the importer) and seller (in this case, the exporter or you); often, compliance is the responsibility of the importer. Requirements can be found through [DAFF](#) and product specific requirements are specified in [BICON](#). BICON houses the Australian Government Biosecurity import conditions. It will help you and your importer determine which import conditions exist and if an import permit is required. Further information can be found at the [Solomon Islands Trade Portal](#) and the [Australia New Zealand Foods Standards Code](#). Biosecurity Solomon Islands is the authority responsible for biosecurity clearance.

BICON

- [Biosecurity Measures for Kava, Copra, and Cocoa.](#)

1.3 UNDERSTANDING FOOD SAFETY MANAGEMENT MEASURES

Agricultural goods imported into Australia must be safe and meet the [Australian New Zealand Food Standards Code](#) and [Imported Food Control Order 2019](#), and therefore may require a safety management certificate. The certificate is evidence that a food has been produced through a food safety management system known as Hazard Analysis and Critical Control Point (HACCP) principles. In the Solomon Islands, HACCP certification is done through a third party; for example, HACCP AUSTRALIA, SAI Global and Bureau Veritas. Although HACCP is not a regulatory requirement for all foods, it is increasingly preferred by food manufacturers, retailers, and the consumer.



1.4 UNDERSTANDING PACKAGING AND LABELLING

Certain agricultural goods must be labelled correctly before they can be imported into Australia, with a [trade description](#) (how or by whom the goods were made, produced, packed or otherwise prepared), [country of origin](#) and [food information](#). The [Commerce \(Trade Descriptions\) Regulations 2016](#) and [Food Standards Code](#) set out which goods require labelling, what is required, and where the label must be applied. DAFF, through the [Import Food Inspection Scheme](#) (IFIS), regularly inspects cargo on imports for correct labelling. The Australian Border Force may seize goods that require labelling, particularly when the goods have a false or misleading trade description.

1.5 DETERMINING DUTIES AND TAXES

Under PACER Plus, agricultural goods from the Solomon Islands have zero import tariffs into Australia and New Zealand. In general terms, a good is eligible for preferential treatment under PACER Plus if it is wholly obtained or produced in one or more of the member countries, or meets [Product Specific Rules](#) (PSRs) as outlined in the Agreement. As the exporter, you or your importer must complete a declaration of origin to claim a preference of good. Further information on PACER Plus can be found at the [Pacer Plus Implementation Unit](#), the [ABF](#), and the [Department of Foreign Affairs and Trade](#) (DAFT) websites.

Despite goods having zero import tariffs, Australia does apply a [Goods and Services Tax](#) (GST) of 10 percent on agricultural goods. It depends on the International Commercial Term (Incoterm) used as to who will be responsible for paying the tax (see below). If using EXW, the importer must pay the GST at the same time and in the same manner as customs duty is paid. GST is applicable on taxable importation, which is the sum of the customs value (CV) of the imported goods plus any duty payable (in the Solomon Islands case there is no duty), plus the amount paid or payable to transport the goods to Australia and to insure goods for transportation (T&I).

The main labelling requirements for KAVA (dry or raw kava root) products packaged for retail sale are listed:

- + Name of the food
- + Mandatory warning statements—must include Use in moderation, May cause drowsiness
- + Country of Origin
- + Lot identification
- + Name and street address of the supplier (importer)
- + Date marking
- + Ingredients list

[Food Standards Australia and New Zealand](#)

[Department of Agricultural, Fisheries and Forestry](#)

Incoterms[®] set out the responsibilities of sellers and buyer for the delivery, insurance, and transport of goods under contractual agreement and determine who is responsible for customs export formalities in the Solomon Islands and the import formalities in Australia.

EXW—the seller provides the goods to the buyer in an agreed area, like production site or warehouse. The buyer has a majority of the responsibility and is obligated to load the goods, transportation costs, custom clearance and delivering the goods

2. Shipping and Reporting Goods

2.1 CONTRACTUAL AGREEMENT AND INCOTERMS

Once you have determined the importer in Australia, you will issue a pro forma invoice. This acts like a quotation. It looks like a commercial invoice, specifying the description of the goods, the HS classification, price, Incoterm, and currency used. If the importer accepts the details in the pro forma invoice, they will then issue you with a purchase order (PO). A PO can be used without the need to write a complex contractual agreement; however, a contractual agreement can still be written if both parties agree. Once you accept the PO, a legally binding contract exists between the importer and you. Like the pro forma invoice, the PO specifies price, HS classification, incoterm, and other terms and conditions.

2.2 FREIGHT FORWARDING AND CUSTOMS BROKER

Following the acceptance of the PO, your importer if using EXW (Incoterm) will commence arrangements for a freight forwarder to manage the transportation of the goods from the Solomon Islands to Australia, as well as engage a customs broker to deal with the government and port/airport authorities to ensure that the goods comply with Australian import requirements. Your importer's freight forwarder will contact a local agent or partner in the Solomon Islands who will then contact you to arrange collection of goods: this is when you need to commence preparation of the key documents, in particular the commercial invoice. The commercial invoice details the price and quantity of the sold goods and will also contain the Incoterm used.

If your goods arrive at the Australian border and do not meet Australian import requirements, or the required documents are not in order, it may cause delays and additional costs. Worst case scenario, the goods will not be permitted entry and could lead to them being returned to the Solomon Islands or destroyed.

2.3 PREPARATION OF DOCUMENTS

As the exporter, you will need to prepare various documents that will be used in the international shipping and export/import clearance process. These documents may need to be provided to the relevant Solomon Islands Government authorities as well as to your importer. These documents may include:

- Packing list
- [Certificate of origin](#)
- [Cleanliness declaration](#)
- [Phytosanitary certificate](#)
- CEMA certificate
- [Packing declaration](#)
- [Manufacturer's declaration](#)
- [Export declaration](#)
- [Fumigation certification](#)
- [Commercial invoice](#)
- Bill of lading

If using EXW (Incoterm), your importer will need to prepare certain declaration and permits, these may include:

- [Import Declaration \(N10\)](#). A (N10) is required for goods with a combined value over AUD1,000 and are being cleared for home consumption.
- [Import Permit \(KAVA\)](#)

All agricultural goods entering Australia need to be declared: this is managed by your importer if using EXW (Incoterm). The importer or authorized broker must follow Australia's [import entry clearance](#) process and submit an Import Declaration through the [Integrated Cargo Systems \(ICS\)](#). Supporting documents are submitted on the request of ABF and/or DAFF. The importer's broker will review and access the required documents, ensuring all requirements are met. The type of documents needed will vary depending on the type of goods imported, as per the list above. However, a standard set of documentation will consist of bill of lading / air waybill, commercial invoice, packing list and packing declaration. It is recommended to lodge the Import Declaration as soon as your goods depart the Solomon Islands. If you are considering exporting Kava for the use of food, your importer will need to obtain an import permit issued by the Australia [Department of Health](#).

2.4 READY FOR SHIPMENT

Once your required documents are in order and your goods are packed and ready, the broker must make a booking for the export shipment. This should be done early to avoid disappointment. When the carrier arrives to pick up the goods, a bill of lading for cargo via sea or an air waybill for cargo via air is issued by the carrier. Why? First, it's a receipt that goods have been handed over and loaded and proves whether goods were received in a sound condition. Second, it outlines the terms of contract of carriage between

Engaging a broker

As the exporting and importing process can be complicated, a licensed broker can help (for a fee) to ensure that your shipment meets the legal requirements and that the import of your goods goes smoothly. A broker can help with such things as freight rates negotiation, booking cargo space packing and labelling and preparing customs and shipping documents. Arranging a broker is normally the role of the buyer.

The Australian Border Force website has a list of [licensed Australian brokers](#).

you and the importer. Third, it is a document of title, allowing the importer to collect the goods once they are safely delivered. A bill of lading and air waybill are key documents that need to be accurately updated to ensure quick customs clearance and a smooth transportation process for your imported goods.

Prior to your goods being shipped from the Solomon Islands, the goods will be processed through export customs clearance. This is where documents are reviewed and checked by the Solomon Islands Government agencies (see also above). Once the goods have been granted clearance, they will be loaded and shipped to Australia.

3. Getting Goods Released

When the goods arrive in Australia, they undergo an import clearance. Typically, by the time the goods have arrived in Australia, the importer's broker has lodged an Import Declaration through ICS. In Australia, all agricultural goods must be cleared by the ABF and potentially DAFF. Depending on the nature of the goods imported, and documentation submitted, ABF and DAFF may:

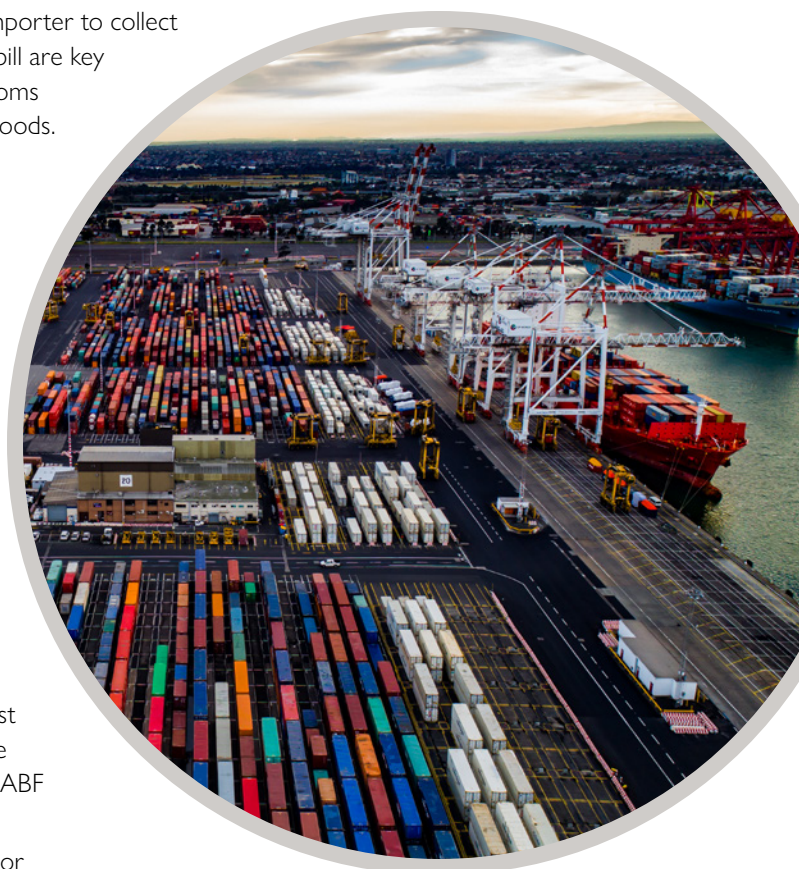
- Clear the goods on the basis of the submitted documents, or
- Select the goods for a document check and request that further documents be submitted before goods can be cleared, or
- Select goods for a document and further action; e.g., inspection, treatment, isolation, hold pending further information or insect identification.

If goods require inspection, this may occur upon arrival at the seaport/airport of first entry or at a third-party site (warehouse) that has been approved by Australian authorities. Goods will be inspected by the Australian authorities and if any biosecurity risk material is found, it will be sent for testing. If it is determined to be a risk, the importer will be notified, and the goods may be re-exported to the Solomon Islands or destroyed at the importer's expense.

The Australia Customs operates on a cost recovery basis. These are government regulated charges, also known as Import Processing Charges, which attempt to fairly cover the cost of facilitating the import process and protect the community from potential risk. These charges need to be paid before goods are released. Responsibility for this cost is defined by the Incoterm in which the contractual agreement is based. The importer typically is responsible for this.

4. After Goods Are Released

When the Australian authorities have cleared the goods from quarantine, and all fees and taxes have been paid, the goods will be released, enabling them to be transported from the port or warehouse to their designated delivery point. Final delivery destination must be agreed before shipment in the contractual agreement. The goods will then have the same status as any Australian product and can be sold freely in Australia.



USEFUL CONTACTS AND INFORMATION

Exporting is complicated, and regulations and processes are constantly changing. It is advised before commencing your export journey to consult with a broker or the relevant Government and industry agencies in both countries where you can find information relevant to your specific product.

USEFUL CONTACTS AND INFORMATION

In Solomon Islands:

- [Biosecurity Solomon Islands](#)
- [Solomon Island Chamber of Commerce and Industry](#)
- [Commodity Export Marketing Authority \(CEMA\)](#)
- [Solomon Islands Ports](#)
- [Ministry Health](#)

In Australia:

- [Australia Border Force](#)
- [Department of Agricultural, Fisheries and Forestry](#)
- [Department of Foreign Affairs and Trade](#)
- [Australian Trade Commission](#)
- [Australian Pacific Islands Business Council](#)
- [Pacific Trade Invest Australia](#)
- [Pacific Horticultural and Agricultural Market Access Plus \(PHAMA Plus\)](#)
- [Pacer Plus Implementation Unit](#)
- [Food Standards Australia New Zealand](#)

CASE STUDY: COCOA CLASSIFICATION



A cocoa exporter in the Solomon Islands identified an Australian buyer; however, the exporter had limited understanding of Australian import requirements. First, the exporter identified the appropriate HS code through the [Australian Border Force](#) website, selecting [Classification Schedule 3](#). Schedule 3 lists the tariff classification and applicable rates of duty. This prompts a list of chapters from 1 to 97; the exporter clicked the link to [chapters 16 to 24](#). This then prompts another list of individual links from chapters 16 to 24. The exporter selected [Chapter 18 \(cocoa and cocoa preparation\)](#). This prompted a list of HS codes under chapter 18. The exporter scrolled down the page and identified the correct code as 1805.00.00.06 (cocoa powder, not containing added sugar or sweetening matter).

After the exporter had classified the goods, they then entered the classification code in the BICON system to understand the import requirements. BICON prompted the exporter to answer a series of questions; which best describes the goods?, how will the goods arrive?, are the goods packaged in bags less than 25kg? After answering the questions, the exporter was provided with Australian import conditions for 1805.00.00.06. The response from BICON depended on how the exporter answered the series of questions.



Aerial of Sydney Harbour, Australia. © Taras Vyshnya/Shutterstock



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