

IMPROVING THE AVAILABILITY OF MARITIME TRANSPORT COST DATA IN THE PACIFIC REGION

Cook Islands Country Report



Acronyms

ASYCUDA	Automated System for Customs Data
BAF	Bunker Adjustment Factor
CAF	Currency Adjustment Factor
CICS	Cook Islands Customs Service
CIGT	Cook Islands General Transport
CITC	Cook Islands Trading Company
CISO	Cook Islands Statistics Office
CPI	Consumer Price Index
IMO	International Maritime Organization
GDP	Gross Domestic Product
GHG	Greenhouse Gases
LDCs	Least Developed Countries
LSS	Low Sulphur Surcharge
MCI	Maritime Cook Islands
MEPC	Marine Environment Protection Committee
MFEM	Ministry of Finance and Economic Management
MOT	Ministry of Transport
MTCC Pacific	Pacific Maritime Technology Cooperation Centre
NSO	National Statistics Office
PSC	Port Surcharge
SIDS	Small Island Developing States
SPC	The Pacific Community
SPREP	Secretariat of the Pacific Regional Environmental Program
TC	Technical Co-Operation Committee
THC	Terminal Handling Charge
UNCTAD	United Nations Conference on Trade and Development

List of Figures

Figure 1: Map of Cook Islands	3
Figure 2: Organisational Chart of the Ministry of Transport 2020-2021	4
Figure 3: Aerial view and map of Port of Avatiu in Raratonga	8
Figure 4: Volume of Cargo received at Avatiu Port between 2013 – 2020	11
Figure 5: Breakdown of Matson Shipping General Tariff Charges	12

List of Tables

Table 1: Trade Data	9
Table 2: Macro Economic Data	10
Table 3: Port Data	10

Contents

<i>Acronyms</i>	<i>i</i>
<i>List of Figures</i>	<i>ii</i>
<i>List of Tables</i>	<i>ii</i>
BACKGROUND	1
COUNTRY PROFILE	2
INSTITUTIONAL ARRANGEMENT FOR MARITIME TRANSPORT COST DATA	6
Maritime Administrations	6
National Statistics Office	7
Customs Administrations	7
Port Authorities.....	7
Shipping Agents.....	9
STATUS OF DATA COLLECTION	9
Commodity Data	9
National Macroeconomic Data	9
Trade Routes	10
Port Calls and Ship Characteristics	10
Trade Throughput	10
Freight Rates (<i>noting associated units</i>).....	11
ISSUES AND CHALLENGES	12
SUMMARY	13
ANNEX 1: Data Mapping	14
ANNEX 2: Data Collection Summary	15

BACKGROUND

In an ever interdependent and globalized world, countries share not only in growth and prosperity but also in crises and challenges. One such challenge is climate change, and its implications for economies and societies developed and developing alike. Like other economic sectors, maritime transport is at the forefront of the climate change challenge.

With climate change being a global challenge and maritime transport an inherently international industry, the International Maritime Organization (IMO) has led efforts to set clear goals, milestones, and regulations with a view to reducing Greenhouse-Gas (GHG) emissions in shipping.

The *2023 IMO GHG Strategy on reduction of GHG emissions from ships* acknowledges that impacts on countries of candidate GHG reduction measures should be assessed and considered as appropriate before their adoption, paying particular attention to the needs of developing countries, especially Small Island Developing States (SIDS) and Least Developed Countries (LDCs).

The Comprehensive Impact Assessment of the IMO short-term GHG reduction measure (MEPC 76/7/13), adopted at the 76th session of the IMO's Marine Environment Protection Committee (MEPC 76) identified several data gaps on maritime transport costs and the economics of shipping, especially in the Pacific region. To this, the IMO initiated a project on improving the availability of maritime transport costs data in the Pacific region", funded through the IMO's GHG TC Trust Fund.

In line with discussions in both the IMO's MEPC and the Technical Co-Operation Committee (TC), the Pacific Maritime Transport Cost project is implemented by The Pacific Community (SPC) and the Secretariat of the Pacific Regional Environmental Program (SPREP), as hosts of the Pacific Maritime Technology Cooperation Centre (MTCC Pacific), building upon their presence in the region and established contacts with stakeholders throughout the Pacific region on matters related to the reduction of GHG emissions from ships.

The project focuses on nine Pacific countries, namely: Cook Islands, Fiji, Kiribati, Marshall Islands, Nauru, Solomon Islands, Tuvalu, Tonga, and Vanuatu, and aims to improve the availability of relevant maritime transport costs data in the Pacific region, including with the view to facilitating future assessments of impacts of candidate IMO GHG reduction measures in that region.

This country summary report results from desktop reviews and a fact-finding country mission by the MTCC Pacific team to Rarotonga, Cook Islands between 12-18 March 2023. This report documents the stakeholders that were consulted, the agencies, entities, and processes currently in place that collect, use, and store maritime transport costs data, and maps the availability of relevant data in the Cook Islands.

COUNTRY PROFILE

The Cook Islands situated northeast of New Zealand, between French Polynesia and American Samoa, has fifteen (15) islands spread over 2 million square kilometres (km²) of ocean and over 250 km² of land. There are two distinct island groups: the Southern Cook Islands and the Northern Cook Islands of coral atolls. The islands are geographically scattered, which raises the per capita cost of delivering essential services.

Trade Summary

Cook Islands had a **total export** of US\$3.1m and **total imports** of US\$109m leading to a negative **trade balance** of -US\$106m. The **trade growth** is 19.78% compared to a **world growth** of 9.25%.

World Bank's World Integrated Trade Solutions

The Cook Islands is self-governing in free association with New Zealand. New Zealand is responsible for the Cook Islands' defence and foreign affairs, but they are exercised in consultation with the Cook Islands. Although Cook Islanders are citizens of New Zealand, they have the status of Cook Islands nationals. The 2022 census showed a total population of 15,040. Each island has a network of roads; a paved road encircles Rarotonga and is served by public buses. Regular service by small aircraft connects all the larger islands. There are ports at Rarotonga (Avatiu), Penrhyn, Mangaia, and Aitutaki, but shipping schedules can be erratic. There is an international airport on Rarotonga.

Around 72% of the population resides on Rarotonga, the main island and hub of commercial activities and tourism. On the northern part of Rarotonga Island is Avarua, the capital and largest city of Cook Islands. It is also the principal administrative and commercial centre of the island nation. Tourism is the country's main industry, and the leading element of the economy, ahead of offshore banking, pearls, and marine and fruit exports.

Cook Islands' gross domestic product (GDP) in 2021 was estimated at USD 252 million or USD 14,822 per capita. Agricultural production consists primarily of small farming of principal crops such as cassava, sweet potatoes, and other roots and tubers, either for domestic consumption or for shipment to New Zealand. Most commercial fishing is done by vessels from Asian countries operating out of American Samoa, but there is widespread fishing for domestic consumption. Several species of tuna make up the primary catch.¹

The small industrial sector includes clothing and shoe manufacturing and food processing, mainly for export to New Zealand. Cultured pearls and fish are by far the major exports. Machinery of various kinds, minerals and fuels, and food and live animals are significant imports. New Zealand, Australia, and Fiji are the leading sources of imports; major export destinations are Japan, New Zealand, and Australia. Cook Islands Trading Company (CITC) is the major wholesaler and importer in the country accounting for 85% of all foodstuffs imported.

¹ Pacific Community (SPC). *Cook Islands Statistics Profile*, accessed 10 April 2023. <https://sdd.spc.int/ck>

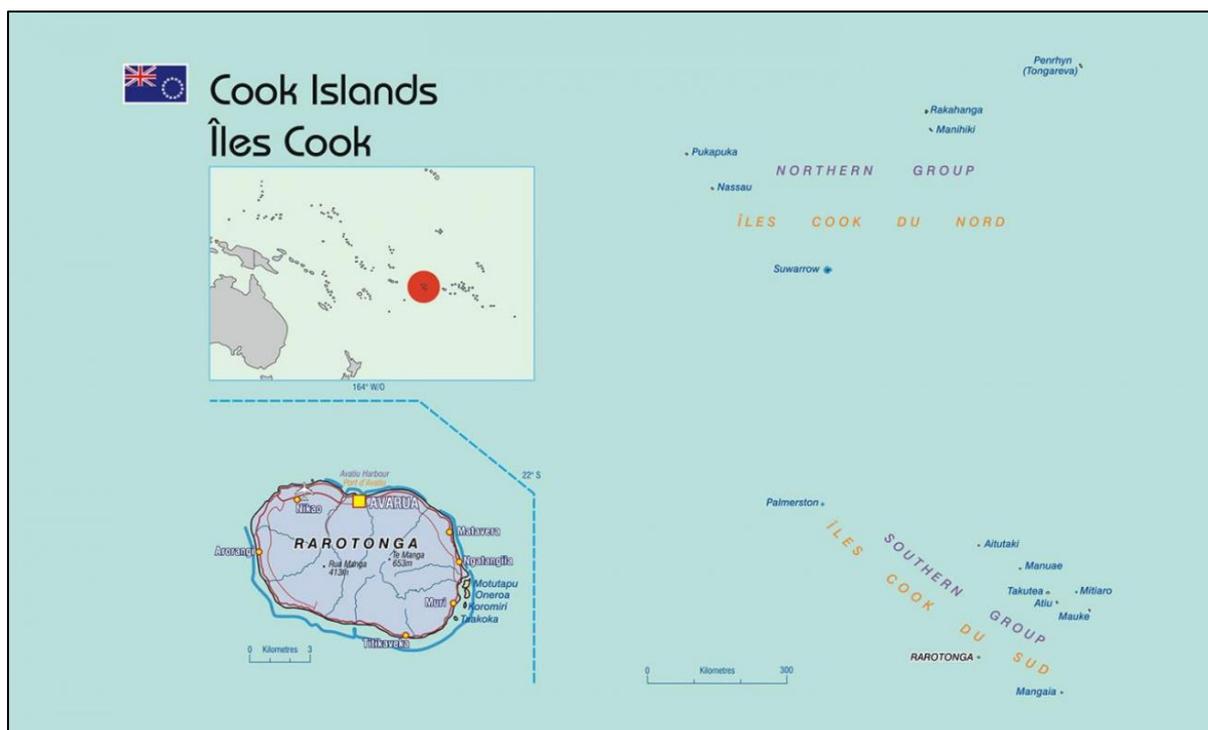


Figure 1: Map of Cook Islands (Source: <https://www.spc.int/our-members/cook-islands/details>, accessed 27 April 2023).

The service sector dominates the economy, with tourism the largest single contributor. Visitors come mainly from New Zealand, Australia, the United States, Canada, and Europe. The second largest economic sector is international finance. Government plays a significant part in the economy and is the largest employer. Taxes are moderate, foreign investment is encouraged, and foreign aid—largely from New Zealand—makes a significant contribution to the economy. The New Zealand dollar is the monetary unit of the Cook Islands.

The following pages provide the United Nations Conference on Trade and Development’s (UNCTAD) General statistics² and Maritime profile³ for the Cook Islands.

² UNCTADstat. *General Profile: Cook Islands*. <https://unctadstat.unctad.org/countryprofile/generalprofile/en-gb/184/index.html>, accessed 14 September 2023.

³ UNCTADstat. *Maritime Profile: Cook Islands*. <https://unctadstat.unctad.org/countryprofile/MaritimeProfile/en-GB/184/index.html>, accessed 14 September 2023.



UNCTAD

STAT

GENERAL PROFILE: COOK ISLANDS

GENERAL INFORMATION FOR 2021

Population
0.017 Millions

Exchange rate
1.414 NZD/US\$

GDP
252 Millions current US\$

Land area¹
(q) 240 km²

CPI growth
1.91 %

GDP growth
-20.00 %

INTERNATIONAL MERCHANDISE TRADE

Total merchandise trade

(millions of US\$)

	2005	2010	2015	2021
Merchandise exports	5	5	14	(e) 22
Merchandise imports	81	91	109	(e) 136
Merchandise trade balance	-76	-86	-95	(e) -114

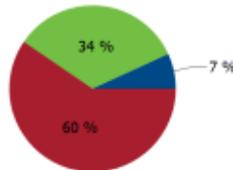
+11.8 %

Merchandise exports growth rate in 2021

Export structure by product group in 2021

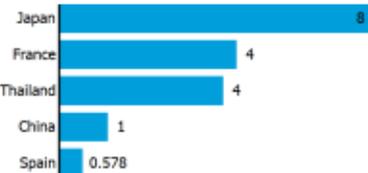
(as % of total exports)

- All food items
- Manufactured goods
- Other



Top 5 partners in 2021

(exports, millions of US\$)



INTERNATIONAL TRADE IN SERVICES

Total trade in services²

(millions of US\$)

	2005	2010	2015	2021
Services exports	(e) 81	(e) 120	192	-
Services imports	(e) 56	(e) 59	61	-
Services trade balance	(e) 25	(e) 62	132	-

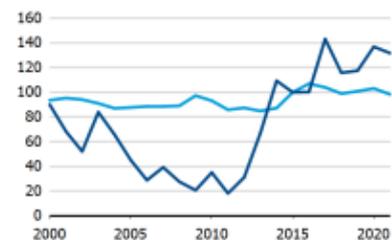
Services exports by main category²

(as % of total services)

	2005	2010	2015	2021
Transport	-	-	3.6	-
Travel	-	-	89.9	-
Other services	-	-	6.5	-

TRADE INDICES

- Terms of trade index
- Purchasing power index of exports



ECONOMIC TRENDS

Economic indicators

(millions of US\$ unless otherwise specified)

	2005	2010	2015	2021
GDP, current	199	241	302	252
GDP per capita, current US\$	13 152	13 990	17 077	14 822
Real GDP growth, y-on-y, %	-1.14	-4.93	5.75	-20.00
Current account balance, % of GDP
Exchange rate (/US\$)	1.420	1.388	1.434	1.414

-20.0 %

Gross domestic product growth rate in 2021

GDP by expenditure in 2020

(as % of total GDP)





UNCTAD

STAT

MARITIME PROFILE: COOK ISLANDS

GENERAL INFORMATION FOR 2021

Population
0.017 Millions

GDP
252 Millions current US\$

Merchandise trade¹
(e) 158 Millions current US\$

Land area²
(o) 240 Km²

GDP growth
-20.00 %

Transport services trade³
-

MARITIME KEY FIGURES FOR 2021

Coast/area ratio²
..

Ship building⁴
..

Ship recycling⁴
..

Fleet - National flag⁵
2 906 Thousands DWT

Fleet - National flag⁵
193 ships

Fleet - Ownership⁶
8 Thousands DWT

Container port throughput⁷
-

Number of seafarers⁸
(I) 1 862

Number of port calls⁹
..

WORLD SHARES FOR 2021

Population	Less than 0.01% of the World total
Coastline (km) (2)	Not available or not separately reported
Gross Domestic Product (current US\$)	Less than 0.01% of the World total
Merchandise exports (US\$)	Less than 0.01% of the World total
Merchandise imports (US\$)	Less than 0.01% of the World total
National flagged fleet (DWT) (5)	0.14 %
National flagged fleet (US\$) (5)	0.04 %
Fleet ownership (DWT) (6)	Less than 0.01% of the World total
Fleet ownership (US\$) (6)	Less than 0.01% of the World total
Ship building (GT) (4)	Not available or not separately reported
Ship recycling (GT) (4)	Not available or not separately reported
Seafarer supply: Officers (8)	0.08 %
Seafarer supply: Ratings (8)	0.11 %
Container port throughput (TEU) (7)	Not publishable
Port calls: Container ships (9)	Not available or not separately reported
Port calls: Liquid bulk carriers (9)	Not available or not separately reported
Port calls: Dry breakbulk carriers (9)	Not available or not separately reported
Port calls: Dry bulk carriers (9)	Not available or not separately reported
Port calls: LPG carriers (9)	Not available or not separately reported
Port calls: LNG carriers (9)	Not available or not separately reported

INSTITUTIONAL ARRANGEMENT FOR MARITIME TRANSPORT COST DATA

Maritime Administrations

The Ministry of Transport (MOT) is the core government agency for regulation of the Cook Islands transport sector. Safety and security regulations are its core business where the agency consist of 5 divisions, one of which is the Maritime Safety Authority or Maritime Division.

The Maritime Safety Authority team is a four-person team, comprising of the Director, a Maritime Safety officer, Maritime Security officer and a Maritime officer. The section is responsible for ensuring the Cook Islands obligations under international maritime laws and conventions are met. In addition, it has responsibilities related to aids to navigation and maritime safety information.

The Cook Islands operates an open register for ships and yachts via a network of Deputy Registrars around the world. Maritime Cook Islands (MCI) manages the open registrar on behalf of the Cook Islands. MCI performs all Flag State duties for the Cook Islands government through an agreement with the Ministry of Transport.

Despite its central role in regulating the movement of maritime vessels in its territorial waters, the Cook Islands Maritime Safety Authority does not collect any data pertaining to maritime vessel movements or cargo throughput. However, it does have close working relationships with agencies or shipping companies that do have it.

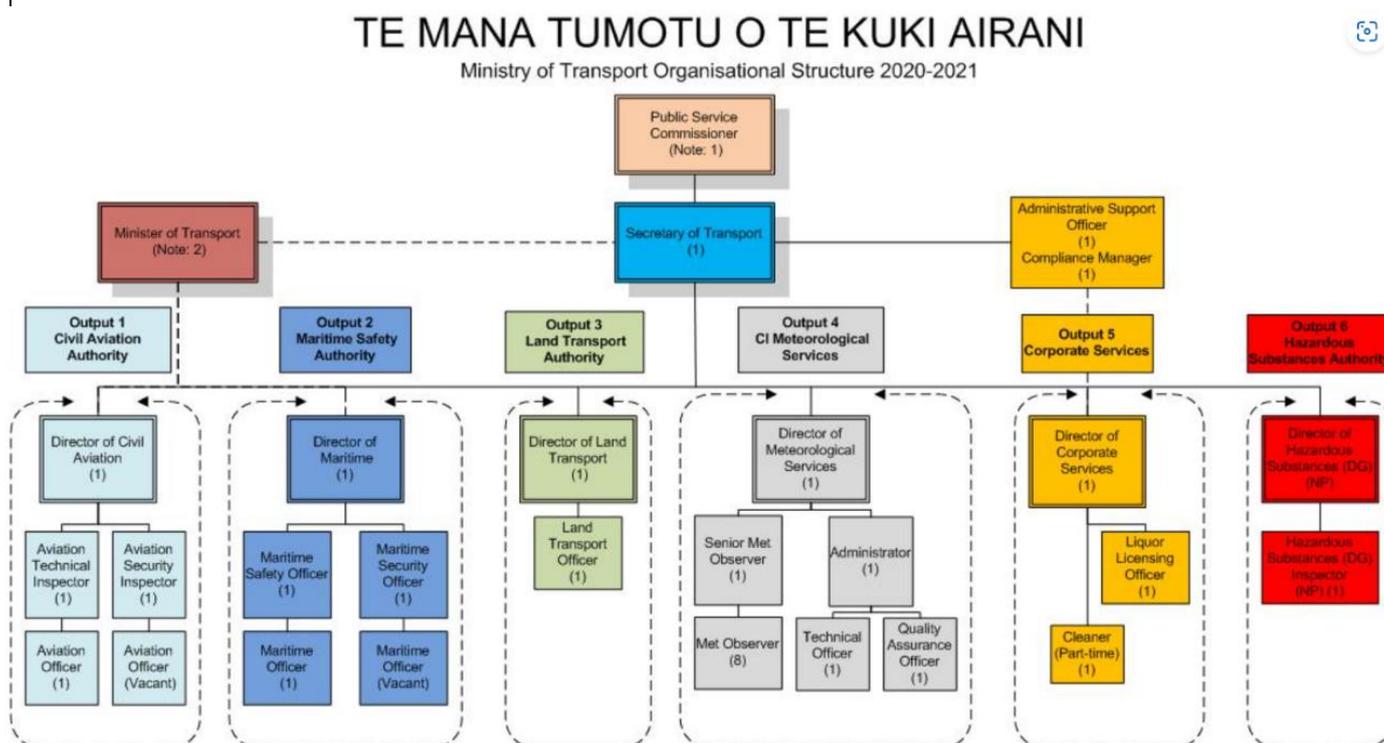


Figure 2: Organisational Chart of the Ministry of Transport 2020-2021
(source: <https://www.transport.gov.ck/about-us/org-chart/>, accessed 23 May 2023)

National Statistics Office

The Cook Islands Statistics Office (CISO) is a government department and the national statistical office (NSO) for the Cook Islands. It is one of four divisions within the Ministry of Finance and Economic Management (MFEM). Currently CISO has ten permanent staff and one temporary employee. The chief executive, the Government Statistician, is responsible for the day-to-day operations of the office and acts as the Chief Electoral Officer for the Cook Islands. CISO collects economic and social statistics as well as conducts surveys and census.

In discussions with the Government Statistician and the economic statistics team, they expressed their regret at their non-availability to be present at the *Regional Roundtable on Improving the Availability of Maritime Transport Costs Data in the Pacific* organised by IMO and SPC in February 2023 but were convinced of the importance of collecting maritime statistics. In the space of maritime transport cost data, CISO has a good working relationship with the Cook Islands Customs Office and were interested in reviewing what data points they should be collecting from Customs.

Customs Administrations

The Cook Islands Customs Service (CICS) is the government agency tasked with ensuring compliance with border related laws, facilitating trade and protecting the border from the illegal movement of goods and people for the safety of the nation, ensuring security of the island's border, protecting the economy from illegal imports and exports; promoting international trade and facilitating tourism and collection of revenue.

CICS migrated to Automated System for Customs Data (ASYCUDA) - a customs management system designed by United Nations Conference on Trade and Development (UNCTAD). for their customs declaration and processing in July 2022 It has helped with simplifying trade procedures, information flows and documentation. This would ideally make tracking of maritime transport cost data easier, and it is understood that relevant data sits within CICS, however request from the project team to obtain data from the office was denied due to competing priorities and/or the lack of manpower to assist with said request. CICS has an ongoing data sharing agreement with CISO to share customs data that then gets tabulated into the country's merchandise dataset. It was noted during the in-country mission however, that access to ASYCUDA was only available to CICS officers for now, with CISO expecting access to be made available in due time.

Port Authorities

A state-owned enterprise, the Cook Islands Ports Authority (CIPA), is primarily responsible for the administration of the three international seaports of the Cook Islands. Two are situated on the main island of Rarotonga, namely Port of Avatiu (main seaport) and Arorangi Jetty with Arutanga Port in Aitutaki. There are 11 other harbors across the outer islands, closest being 100nm west and the furthest being 740nm northeast to 650nm west and 740nm southeast back to Rarotonga. These outer island harbours are small and shallow therefore freight shipped to these islands must be transferred to barges or other small vessels to be landed.

Port of Avatiu is capable of accommodating container and fuel tanker vessels up to 200m in length and is responsible for handling almost all the country's export and import cargo, handling about 90% of food imports and 100% of the country's fuel supply. A small percentage is taken directly to Aitutaki to service the needs of the locals and tourist resorts there, however large vessels cannot berth, and cargo must be transhipped to shore by barge. Port of Avatiu has undergone recent major reconstruction for climate proofing and extension to storage and operational areas.



Figure 3: Aerial view and map of Port of Avatiu in Raratonga
 (source: <https://dlca.logcluster.org/cook-islands>, accessed 23 May 2023)
 Figure 3 Key (red numbers):

1 International Terminal	2 International Cargo (shed 2)	3 Origin Gas Terminal
4 Ports Workshop & Canteen Room	5 Domestic Cargo (shed 1)	6 Domestic Terminal
7 Southern Wall Wharf	8 Maritime Surveillance	9 Police Launch Berth
10 Tug Berth	11 Pleasure and fishing boats	

The channel draft is about 30m from the outside reef to 13m before entrance. The inside entrance at breakwaters is 10m depth. The maximum length for vessel of more than 120m and up to 200m can either enter bow into berth and reverse out or reverse into berth and exit bow first. Port of Avatiu does not currently face any congestion, however when domestic vessels, international cargo vessels, expedition cruise ships and yachts during yacht season (May–August) are all present, there may be congestion. The average waiting time between arrival and berthing, dependant on weather, is 1 – 2 hours. Winds over 20 knots will result in vessels being held offshore until they abate. This happens occasionally and irregularly.

In 2015, the Avarua port was upgraded under an ADB loan. Since then, CIPA has had to bear the loan's repayment on its own, forcing it to gradually increase its port charges. The last increase was in 2018 with the current rates currently being reviewed for an increase later in its 2023 financial year.

Information shared by the only international shipping agent, EXCIL Shipping Ltd, concerning operational difficulties at Avarua Port were acknowledged by CIPA noting that the size of the wharf, the swing in the harbour basin and the narrowness of the channel have affected port operations.

The project team were able to collect a list of vessel movements and characteristics and port charges at the Port of Avarua from 2016-2022.

Shipping Agents

There are two domestic shipping operators – the private local company, Taio Shipping Limited and Cook Islands General Transport (CIGT), with two vessels in operation servicing the inter islands shipping services of the outer islands. Taio Shipping’s MV Maunagaroa services mainly the Southern Group of islands that includes Atiu, Mitiaro, Mauke and Mangaia; while General Transport Limited’s barge services both the Southern Islands group and the Northern Islands of Penrhyn, Manihiki, Rakahanga, Suvarrow, Pukapuka and Nassau. The trips run once every 2-3 months.

There is also one main international shipping operator – Matson Shipping Inc. Together with their local agent, EXCIL Shipping Limited, operate two container vessels leased from Matson Pacific Limited. They operate on 21 days turn around for each vessel.

All fuel is imported from Australia, NZ, Korea, Singapore or elsewhere depending on the best market price that can be obtained by the private sector importers, TOA, Pacific Energy and Triad Petroleum. Fuel supply is regular with the tanker vessels arriving usually every 20 days. There are no set reserve stocks maintained as companies manage cash flow and reserve stock may get as low as two days before resupply. It should be noted that all these companies’ fuel farms are situated in a coastal location that is considered risk vulnerable to cyclone or tsunami damage.

The Price Tribunal, a national body, sets fuel prices. This committee is made up of people from the Government and Private Sector. It convenes twice monthly to set the wholesale and retail fuel prices for the Cook Islands based on the current purchase market after factoring in the costs of transportation and a margin for the importers. Prices are also set for the outer islands, paying regard to the additional shipping costs faced by the distributors and the retail price can be up to 125% higher in the distant Northern Group of islands relative to Rarotonga as a result.

STATUS OF DATA COLLECTION

Commodity Data

CISO was able to provide commodity data grouped under Imports for the years 2020-2022. Data provided was CIF value for imports listed in 6-digit HS codes. International Merchandise Trade Statistics for years 2013-2021 were also provided listing imports, exports, and reexports at the 2-digit level, while providing more detailed statistics across principal export commodities.

Trade Data

International

- Annual exports by item (HS Code), country, quantity (kg), & value
- Annual imports by item (HS Code), country, quantity (kg), & value
- Annual Re-exports by item (HS Code), country, quantity (kg), & value
- Importers - transport costs
- Exporters - transport costs

2022 2021 2020 2019 2018 2017 2016 2015 2014

Domestic

- Annual exports by item (HS Code), country, quantity (kg), & value

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National Macroeconomic Data

CISO collects national accounts data to produce Consumer Price Index (CPI) and Gross Domestic Product (GDP). While they did not provide this information to the SPC team, it is accessible on their website ranging from 2014 – 2022. The only recent labour statistics available is from the recent 2019 labour force survey.

Macro Economic Data

2022 2021 2020 2019 2018 2017 2016 2015 2014

GDP - real, per capita, by sector
 Consumer price index, by month and year
 Employment statistics

Anecdotal information received from multiple stakeholders pointed towards the prices of items such as food and building materials rising in the months since the Covid-19 restrictions lifted in 2022. It was also reported that in the last few weeks of 2022, there was a rationing of car fuel in all service stations on the main island of Rarotonga as the island ran out of fuel and awaited the return of the fuel ship. Concerns were raised about how the current cost of goods and services on the outer islands could potentially be driving the out-migration of Cook Islanders – away from both the outer islands and Rarotonga to New Zealand.

Trade Routes

EXCIL Shipping shared the current routes for Matson Shipping Ltd into Rarotonga or Aitutaki as below:

- Auckland (AKL)-Nukualofa (TBU)-Suva (SUV)-Apia (APW)-Pago Pago (PPG)-Rarotonga (RAR)-Aitutaki (AIT)-Nukualofa (TBU)-Auckland (AKL).
- Auckland (AKL)-Nukualofa (TBU)-Lautoka (LTK)-Suva (SUV)-Apia (APW)- Rarotonga (RAR)-Aitutaki (AIT)-Nukualofa (TBU)-Auckland (AKL).

Cargo from Australia and China are transhipped in Suva.

Port Calls and Ship Characteristics

CIPA provided port calls and some ship characteristics for the years 2013-2021 for container, and tanker vessel movement at Port of Avatiu (Rarotonga). Cruise vessels calls weren't provided as they aren't recorded. Ship IMO numbers weren't presented as they aren't recorded. It showed:

- Vessel name
- Date of arrival
- Date of departure

Port Data

2022 2021 2020 2019 2018 2017 2016 2015 2014

Vessel call data by port, IMO, date, time, etc.
 Fees & Charges, by type, unit of measure, rate
 Ports' container throughput, by port, by type

Annex 1 provides a high-level data mapping illustration for Cook Islands.

Trade Throughput

CIPA provided tonnage reports for both Rarotonga and Aitutaki Ports from 2013-2020. It showed:

- TEU and FEU units
- Bulk Tonnes
- General Cargo Tonnes
- Number of vehicles
- Petroleum litres – diesel, petrol, JetA1, and Butane

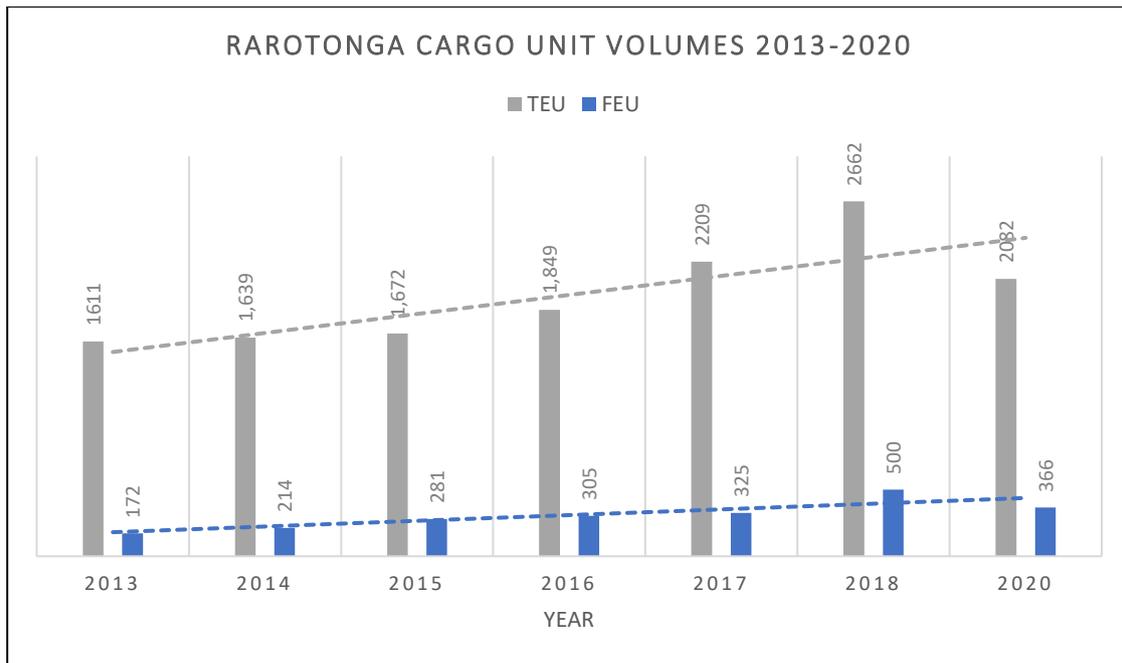


Figure 4: Volume of Cargo received at Avatiu Port between 2013 – 2020.

Rarotonga Cargo Unit volumes showed a steady increase throughout 2013 to 2020 (Figure 4). There was no data reported back to the SPC team for 2019.

Freight Rates (*noting associated units*)

Noting the relative distances travelled for domestic shipping operations, the SPC team noted the importance of capturing the local freight rates and charges. Cook Islands General Transport (CIGT), one of two domestic shipping operators, provide a one-week turnaround to load goods from the international vessel along with accompanying cargo from the general public to be shipped to the outer islands per schedule. On average, their vessel, the MV Taoga Nui, carries ~200 tonnes of cargo in 8 – 10 containers; it usually returns with 10-12 tonnes of cargo, which is usually fish from the Northern islands. As the Northern islands are further in geographical distance, they are serviced every two months with three months' worth of stock. The shipping subsidy that the government provides was also shared: USD 210 per cube; USD 178 per cube if it is carrying food stuff only; USD 1.10 per kilo for frozen food stock. CIGT also charter government related projects such as the Outer Islands Renewable Energy Sector Project to maintain a profit margin. CIGT acknowledged that while international freight rates have not increased since pre-COVID in the Cook Islands, costs are shifting in the form of other surcharges that operators are bearing.

A comment from the stakeholder discussions noted that a return flight to Manahiki (an island in the Northern group) costed roughly NZ\$3,200, while a one-way ticket by barge costs NZ\$600, meaning the cost of moving goods to an outer island was considered to be substantially high.

The SPC team was informed about the freight costs that EXCIL charges and upon request, the team was provided a breakdown of how tariff is calculated and charged by EXCIL. Ocean freight charges carry the bulk of General Tariff rates for Matson Shipping operations to the Cook Islands (Figure 4). The remaining is split between Currency Adjustment Factor (CAF) at 6%, Bunker Adjustment Factor (BAF) at 14%, Low Sulphur Surcharge (LSS) at 4%, and Fiji's Terminal Handling Charge (THC) plus Security at 9%.

EXCIL Shipping Ltd mentioned that Matson Shipping freight rates have not increased in years however there have been new surcharges applied that susceptible to fluctuate such as CAF, BAF, LSS and Auckland Port’s Port Surcharge (PSC). An often-quoted surcharge is the CABAF (CAF+BAF), as it increases the further away from the home port, the CABAF rate for Rarotonga is currently 29.6%.

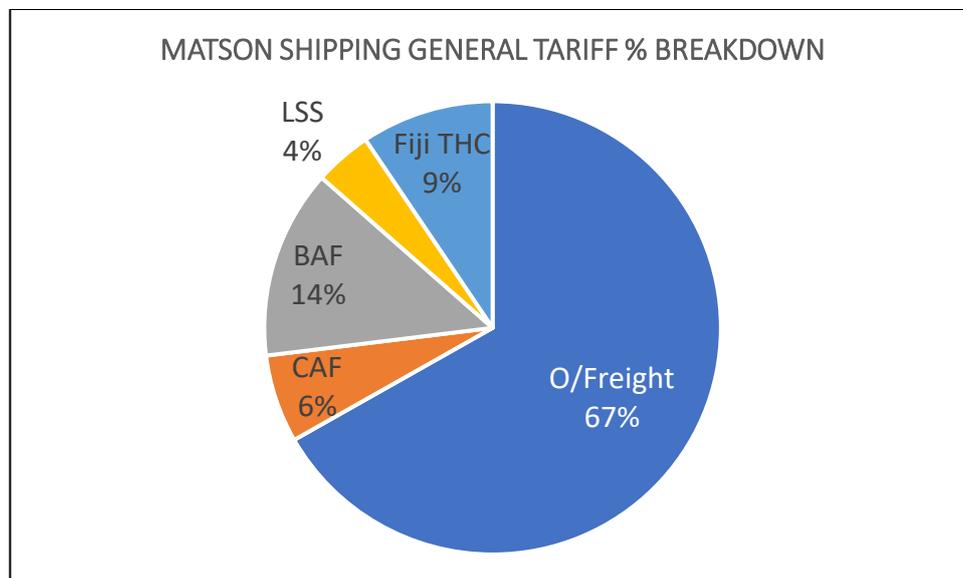


Figure 5: Breakdown of Matson Shipping General Tariff Charges.

ISSUES AND CHALLENGES

Improvement to maritime cost data reporting

The project team set out to map Cook Islands data infrastructure to identify depositories of maritime cost data and identify what could feed into an analysis of IMO measures. A key component of this was to identify freight costs data that is borne by exporters or importers in Cook Islands. This data would be with the international shipping company or the local shipping agent since they issued the pricing onto users of their ships, however, there is considerable business sensitivity to releasing pricing information for public use.

The second-best alternative to obtaining this data would be the Customs office. When the project team met with senior officials from the customs office, it was told that it did not release that information for public use. Instead, the project team was directed to obtain this information from the Cook Islands Statistics Office. There is a current data sharing agreement between the two agencies, however CISO is unaware of any need to collect freight data. Going forward the office is keen to collect this information if it was directed to the correct training for its economic statistics staff.

A point to note from discussions with both agencies and the shipping agent is that freight costs are not captured in its components, meaning base freight rate and surcharges are not differentiated but rather shown as its own sum separate from the cost of item. As such, while there has been a noticeable increase in total freight reported by importers and cost of goods reported by end use customers, the shipping agent clarified that the base freight rate has not changed for a while. Instead, surcharges that make up to 33% of the total freight cost have been added that are linked to other factors such as a currency adjustment factor, a cost of fuel factor (bunker), a cleaner fuel factor, and the cost of cargo handling at Fiji’s ports. All of these are listed on the charge sheet that importers present to customs.

There is a gap in understanding freight cost in Cook Islands that can be improved by better capture of the data at customs level, requiring customs officers to capture the components of freight cost, and getting exporters to also list freight cost. At the same time, the CISO can be upskilled to capture importers and exporters cost in their reporting.

SUMMARY

The Cook Islands country mission took place from 12-18 March 2023 and was conducted by two MTCC Pacific staff. Stakeholders from the Ministry of Transport, Maritime Safety Authority, Port Authority, Statistics Office, Economic Planning Division, Price Tribunal, Customs Service, Climate Change Office, EXCIL Shipping Ltd, Cook Islands General Transport Ltd and TOA Petroleum Ltd were visited during the week.

The MTCC Pacific team collected the following data sets with Annex II illustrating where these data are currently housed:

- Commodity trade data 2014-2020
- Fuel price orders 2019-2020
- Rarotonga and Aitutaki Ports trade throughput 2014-2020
- Port charges 2014-2022
- Limited vessel characteristics
- Matson Shipping schedule
- Matson Shipping general tariff

The missing data sets include GDP, Inflation, contributions of different economic sectors to GDP, and the breakdown of employed by economic sector.

Discussions with all stakeholders pointed towards CISO as the best suited entity to host the collection and storage of maritime statistics. CISO made note of the need for it to build proper validation checks with agencies, but it needs to be approached.

The project stakeholders also emphasised the dearth of capabilities and capacities within their individual organisations, noting the “brain drain” of many of their local people to New Zealand and Australia. A project like this would need to consider the current carrying capacity of the general sector and upskilling to fit the agenda of the required work needed to collect, clean and analyse maritime economics data.

A tracker (summary) of available data by data category and year is provided in Annex 2. Data may be made available for further analysis by contacting the IMO Secretariat but remains the property of relevant data providers. Additional information such as contact details of focal points in relevant organizations from the Cook Islands can be provided upon request.

ANNEX 1: Data Mapping

The below graph attempts to map where data may be situated amongst the various stakeholders the project team engaged with.

