

GOUVERNEMENT DE LA
RÉPUBLIQUE DE VANUATU

MINISTÈRE DES
AFFAIRES ÉTRANGÈRES, DE LA
COOPÉRATION INTERNATIONALE
ET DU COMMERCE EXTÉRIEUR



GOVERNMENT OF THE
REPUBLIC OF VANUATU

MINISTRY OF
FOREIGN AFFAIRS,
INTERNATIONAL COOPERATION
AND EXTERNAL TRADE

To: The Australian Government

Response From: The Government of the Republic of Vanuatu

Subject: Pilot program to ease restrictions on the importation of kava for personal use

1. The Vanuatu Government acknowledges the Australian Government for communicating its consultation paper on the Kava pilot program proposal to ease the restrictions on importation of kava for personal use into Australia, on the 28th February, 2019. Vanuatu recognises the joint statement made by both Prime Ministers of Australia and Vanuatu in January 2019 and the importance of market access of Kava into Australia. The Ministry of Foreign Affairs, International Cooperation, and External Trade on behalf of the Government and its people wishes to present its response as a collective effort provided by its kava industry stakeholders on the choices and decisions for a win-win approach for both countries.
2. Kava is known as the 'green gold' commodity within Vanuatu. It has long been and continues to be a significant primary product contributing to the domestic economy and the livelihood of the people in the rural areas who depend on kava as a source of income, and for its traditional purposes. In the first three quarters of 2018, kava amounted to 50.7% of Vanuatu's merchandise exports¹, thus showcasing its importance.
3. Kava is particularly important as a lot of the income generated flows back to the rural islands, which are often left out of other aspects of the formal economy – such as services. With the benefits being clearly seen, lots of people throughout Vanuatu and the Pacific have increased their planting of the kava plant. The kava plant takes five years before it is ready for export, and so it is expected that supply will increase sharply in the coming years – especially noting the last four-year of the Tropical Cyclone Pam has just passed. TC Pam destroyed much of Vanuatu's kava crop, and so there was substantial replanting in the months and years following TC Pam.

¹ Source: Vanuatu National Statistics office

4. Vanuatu's commitment on the PACER Plus trade agreement focussed on increasing market access of products such kava into Australia during the course of the negotiation process. A traditional market and country, Australia will continue to be the closest market despite the debatable claims of health concerns from the abuse of kava responding to this effort.
5. Vanuatu's collective responses includes responses as attached from the several members of the kava industry, government, individuals, the private sector and community leaders/ chiefs from Vanuatu. The Vanuatu Government therefore submits the following comments:

Is an increase to 4 kilograms of kava a suitable quantity for personal use?

6. The Government of Vanuatu does not believe that 4 kilograms would be a suitable quantity for personal use.
7. The kava plant has long played a crucial role in South Pacific societies, with it being a critical part of many important occasions and ceremonies – such as weddings, funerals, or chiefly ceremonies. These ceremonies have long relied on kava to 'seal the deal', and the Government of Vanuatu believes it is of great importance that the South Pacific diaspora is able to fully commit to these ceremonies.
8. The role of kava within these communities extends far beyond just these important ceremonies however. Kava is the most popular drink within Vanuatu, and is a key social activity within the country. This is evidenced by the 250-300 kava bars based within Port Vila, a city of just 60,000 people.
9. The Government of Vanuatu believes that kava has a strong positive impact on the community and society of Vanuatu, especially when compared to alcohol.
10. Whilst the Government of Vanuatu acknowledges and is grateful for the proposed increase in the import allowance for personal use, it does not believe that the proposed quantity is sufficient:
 - i. 4 kilograms still does not make very much kava at all. For a large ceremony, this would not be sufficient;
 - ii. Because kava can only be brought in for personal consumption, if there is not someone flying in recently, then it may be the case that it is not possible to provide kava at a ceremony or event. This means that an important aspect may be missing from these ceremonies. Commercial sale of kava would correct for that purpose;

- iii. The 4kg allowance would still only allow for use at important ceremonies. However, it is the Government of Vanuatu's belief that this ignores the day-to-day trade, which is also of great importance to Ni-Vanuatu. There are thousands of Ni-Vanuatu and other Pacific islanders who travel to Australia each year as part of the Seasonal Workers Programme, and they are denied a large part of their day-to-day lifestyle by these restrictions. Kava drinking is generally very responsible, especially when compared to alcohol;
 - iv. There are many Australian citizens who would enjoy being able to drink kava, especially in a social setting. This has been seen by the rapid increase in recent years of kava consumption in America, with no reported ill effects.
11. Kava is incredibly important to Vanuatu. As well as playing a huge role in society, there are 20.000+ households in Vanuatu who continue to depend on Kava for their livelihood.
 12. The Government of Vanuatu believes therefore that the Government of Australia should reconsider its position on the 4kg kava and have options to increase the quantity to 10, 15 or 20kgs, which would have positive impacts for personal and ceremonial use. In addition to the suitcase trade of kava for personal use, Vanuatu is very interested in the commercial exports of kava and kava products to Australia.
 13. The Australia and New Zealand support on the Kava Value Chain analysis through the PHAMA program is acknowledged. The report identified the potential development of the kava industry and export industry contributing to creating employment and promoting participation of women in the industry. However, seeking and negotiating improved market access to Australia would be an advantage and beneficial to Vanuatu and the region due to its close market and high commodity price.

What is the health and social impacts of the proposal to increase the amount of kava that may be imported for personal use?

14. The Government of Vanuatu and its people acknowledge the complexity of the issues affecting the Indigenous Australians in Arnhem Land (Northern Australia). However, Vanuatu feels that kava is being treated unfairly as a result and this has had a flow-on negative impact on the image of kava. For example, alcohol abuse and excessive consumption of alcohol were also reported as key contributing factors the issues affecting the

Indigenous communities in Arnhem land. However, there are no restrictions being placed on the import or production of alcohol.

15. Kava consumed in the traditional form as a beverage is known for its benefits to reduce stress, promote relaxation, and meet our social and ceremonial obligations. Additionally, there have been several clinical studies that confirmed that kava performed favourably in relation to the other synthetic drugs and alcohol as a remedy of Generalised Anxiety Disorder.
16. Clinical studies conducted on Kava when consumed in its traditional form (kava extracted with water) confirmed that kava was safe as a drink. A traditional drink that does not do any harm compared to the use of alcohol and other drugs for social purposes. For example, Kava water extract is recognized as safe² and is classified as a food export to markets like New Zealand, the USA, and New Caledonia, where kava drinking places are developing rapidly without health-related issues. Its positive impact on people to avoid hefty consumption of alcohol, is compared to people consuming tea in Britain or coffee in Italy.
17. The Government of Vanuatu disputes the assertions in the consultation paper about the negative impacts of kava on health, especially with regards to liver toxicity. The Government of Vanuatu requests a dialogue between the Office of the Drug Control, the Vanuatu Government, and the Vanuatu Kava Industry Association to further study the scientific evidence for the health impacts of kava.

Is two years a sufficient period for the pilot?

18. The government of Vanuatu believes that two years is excessive.
19. Vanuatu also requests further clarifications of trialling this pilot proposal. Kava had already been consumed in Australia and across the Pacific, and so it is believed this trial will not add too much to the existing situation. If a timing was proposed for this trial, Vanuatu feels that a period of six (6) months would be sufficient for the trial.
20. The concern during the government consultation with the Vanuatu kava industry and private sector raised few questions and requested the government of Australia to respond to these questions;

² Source: WHO report (2008), https://apps.who.int/iris/bitstream/handle/10665/43630/9789241595761_eng.pdf;jsessionid=ACD7CF180D69D81074A8CF88BD5E215F?sequence=1
<http://www.fao.org/3/a-i5770e.pdf>

- a) What is the anticipated outcome of the proposed trial?
- b) Will the trial support the lifting of restrictions to allow commercial exports of kava?
- c) Should Australia initiate a similar trial to allow commercial imports of kava?
- d) Can Australia open up other states while restriction is imposed only to the area affected?

What methods of evaluation should apply to this pilot?

21. The Vanuatu Government does not have any strong belief about the best methods of evaluation, but would request that good and reliable data is gathered, where possible

Conclusion

22. The Vanuatu government wishes to emphasize on these points towards this proposal for consideration;

- i. Kava is an incredibly important social and economic crop for Vanuatu;
- ii. The Government of Vanuatu believes that kava is safe, and that the scientific evidence supports this assertion;
- iii. There is a very strong demand for kava within Australia from the South Pacific diaspora, both for ceremonial use, and for social use. Kava has had strong positive benefits on the ni-Vanuatu society;
- iv. The Government of Vanuatu welcomes the increased limit, but believes that this will not make any noticeable difference, and would like to strongly state its support for the opening up of the commercial market for Australia.

23. The Government of Vanuatu would like to stress its commitment to working with the Australian Government and its stakeholders in order to ensure that kava is enjoyed safely and responsibly overseas, in the same manner as it is in Vanuatu.

Sincerely,

[Redacted Signature]

for Kalfau Kaloris

Director General

