INDEPENDENT CONSUMER AND COMPETITION COMMISSION

PUBLIC NOTICE

PRICE MONITORING OF RICE, FLOUR AND SUGAR — CONSUMER ADVISORY

The Minister for Treasury declared the following goods under the ***Prices Regulation Act*** for **price monitoring purposes only**. **This** declaration **does not mean that their prices are fixed or controlled.** .

The ICCC monitors the factory-gate and retail prices of rice, flour, and sugar This monitoring helps assess whether price movements are consistent with changes in international prices, the kina exchange rate, shipping and fuel costs. It also helps the ICCC identify any conduct by suppliers, wholesalers and retailers that may exploit consumers or abuse their market power.

Monitored Goods:

- Roots Rice -supplied by Trukai Industries Limited;
- Flame Flour and 3-Roses Flour -supplied by Goodman Fielder (PNG) Limited and New Guinea Tablebirds Limited, respectively; and
- Ramu White Sugar - supplied by Ramu Agri-Industries Limited.

Data from the Food and Agriculture Organization (FAO) shows that prices for rice, flour, and sugar have all increased in September 2026:

- **Rice prices** in Vietnam and Thailand increased by 10% to 13% in 2026. The FAO Rice Index also increased by 1.4% in September 2026.

- **Sugar** – The FAO Sugar Price Index increased by 14.7% year-on-year.
- **Wheat** prices increased by 30% in 2026 while the FAO Cereal Price Index increased by 17.2% year-on-year.
- The FAO Food Price Index reached its highest level since November 2022.

Factors contributing to these increases include:

- Dry El Niño conditions, which have reduced harvests in India and parts of South-East Asia;
- Disruptions along key shipping routes, which have increased freight rates by approximately 50% on some routes;
- Higher fuel and energy costs;
- Higher fertiliser and other production input costs; and
- Continued depreciation of the kina, which increases the cost of imports into Papua New Guinea.

In light of these factors, consumer prices in Papua New Guinea are likely to remain elevated for some time into 2027.

Local food supplies have also been affected. Dry conditions associated with El Niño have reduced harvests and market supplies in many provinces. As a result, some locally grown staple foods are less available or more expensive, leaving consumers with fewer affordable alternatives.

Papua New Guinea is an import-dependent economy and is exposed to changes in global food and fuel prices. While these pressures cannot be avoided entirely, the ICCC encourages households to plan their budgets carefully and prioritise essential goods. Consumers are also advised to avoid panic buying and unnecessary stockpiling, which can place additional pressure on supply and prices. Compare prices across shops, trade stores and local markets, and minimise food waste.

Where locally grown food is available, consumers are encouraged to supplement rice and flour with affordable local staples, including starchy root crops.

The prices of these goods are not fixed. Retailers remain free to set their own prices and compete with one another. However, pricing decisions must be made independently and must comply with applicable competition laws. Businesses must not coordinate price increases with competitors or engage in other anti-competitive conduct.

The markets for the three monitored goods are generally competitive. However, the ICCC's periodic pricing reviews have identified some degree of market influence and price leadership. This reinforces the need for continued monitoring. The ICCC will investigate any unusual or unexplained pricing patterns identified through its monitoring activities and will take appropriate action within its powers. Where necessary, the ICCC may also make policy recommendations to the Government.

Price monitoring is a **transitory regulatory tool** used where concerns exist about market power or market influence. The findings may inform whether further regulation is necessary if market abuse is identified, or whether regulation can be reduced if the market is operating competitively.

Most importantly, all consumers in PNG must be informed that the ICCC does not have the mandate to regulate the prices for every consumer goods and services. in PNG. ICCC only regulates and monitors a limited number of goods and services that have been declared to be regulated and/or monitored under the Price Regulations Act and the ICCC Act.

For enquiries and complaints contact the ICCC on 312 4600 | Email: infor@iccc.gov.pg| or complete the complaint register form on the ICCC website: http://www.iccc.gov.pg

Authorised by:



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Mr. Roy Daggy
Commissioner and Chief Executive Officer
Independent Consumer and Competition Commission

4th November 2026