



## ALL ACP AGRICULTURAL COMMODITIES PROGRAMME

### PACIFIC BRIEF

Programme support to the Pacific region involves a total of some twenty activities for an aggregate amount of Euros 2.5 M. Disbursement as at end of June 2010 stands at around 45 per cent.

Activities cut across the three main programme areas, namely: strategy development; strategy implementation; and risk management.

#### Strategy Development

Participatory value chain diagnosis and strategy formulation have been facilitated for the fruits & vegetable (F&V) and roots & tubers sector in Fiji; for the F&V sector in Samoa; and for the coconuts value chain in Solomon Islands.

In the case of the **Solomon Islands**, national elections interrupted the finalisation of the strategy formulation and implementation plan. These will resume in October 2010.

In **Fiji**, the strategy document and implementation plan are both available, but have yet to be validated. ITC and FAO collaborated closely in the delivery, with the later notably tasked with undertaking specific studies (e.g. on “collection centre”) to feed into the consultative strategy formulation process. Changes in personnel as a result of political instability have delayed the validation process.

In **Samoa**, the formulation of a strategy for the development of the fruits and vegetables sector aim to make the sector more attractive to producers, but also to investors interested in the development of exports. Using the participatory stakeholder approach, stakeholders successfully developed a comprehensive strategy with the support of programme implementing partners (ITC, FAO, World Bank, UNCTAD) and the Government of Samoa. The latter has yet to validate the Samoan version of the strategy but has agreed to co-fund the programme, notably the operations of a coordination committee set up to bring together all actors active in the value chain.

More generally, FAO supports the strategy formulation process through a series of domestic market studies, capacity-building on value-chain analysis and the translation of strategic options into concrete policies and plans. For greater impact and sustainability, some of these AAACP funded interventions have been tagged to a broader FAO initiative in the region on “evidence-based decision making”

#### Strategy Implementation

Following strategy formulation, IOs complement each other in implementing activities that address specific gaps identified.

Thus, **FAO** has supported the strengthening of the Melanesian Farmers First Network (MFFN). It is also working with other producer associations in Samoa, Solomon Islands, and **Vanuatu** to upgrade business models and improve farmer-buyer linkages in the F&V sector. As a complement to UNCTAD’s analysis of regulatory constraints that hinder access of agricultural producers to finance, FAO is working on the identification and design of financial mechanisms for smallholders and finance needs assessments.

ITC’s contribution to strategy implementation focuses on product and market development and trade support services. While on hold for Fiji, several activities have been undertaken for Samoan stakeholders. Study tours





have been organised to equipment providers and target markets. HACCP training is underway for local quality consulting and inspection firms.

**UNCTAD** is in the process of setting up a pilot sub-regional market information system which will involve several countries in the region. Recent missions have led to a shift in technology base, from computer to handheld mobile system. The activity will be undertaken in close cooperation with ITC. Last March, UNCTAD also launched its “Sustainability Claims Portal” in the region in the presence of Hon. Stephen Kalsakau, Minister of Agriculture, Forestry, Fisheries, Livestock and Quarantine of Vanuatu who said: *‘The launching of the portal is expedient given the proliferation of private and public food security standards, and the influx of ‘sustainable development’ labels in the market. Therefore an affordable access to high-level information on these new developments is vital for the success of agri-food and commodities exports from and within Pacific island countries’.*

The AAACP contributed, through the WB-SDN, to the implementation of an extant National Coffee Strategy for PNG. This contribution has provided a basis for the preparation of a new World Bank operation (Productive Partnerships in Agriculture Project, PPAP) to be co-financed by IFAD. Another completed activity funded by the AAACP in PNG and implemented by the WB involved identifying opportunities to add-value and/or diversify existing farming systems in coffee and cocoa-growing areas, whether at the production, processing or marketing level, and developing proposals for related activities under the proposed PPAP.

## Risk Management

In response to the gaps identified by the strategy formulation process, WB-ARMT undertook a risk evaluation for fruits and vegetables supply chains identifying and quantifying major risks to stakeholders and proposing risk mitigation and risk management. The field mission took place in late June and early July 2010, having been delayed at the request of the government as a result of the tsunami at the beginning of September 2009.

FAO has also been working in the area as part of an assessment of risk management in island economies. For the Pacific region, an initial survey covered Fiji and Vanuatu. Follow-up will focus on financial mechanisms for the F&V sector of Samoa, underlying the coherence of implementing agencies’ intervention in the region.

## Leveraging and Synergies

Programme support in the Pacific has built on and contributed to other recent or ongoing interventions by other development partners in the region. Thus, the EU-funded FACT project has produced numerous market studies and value-chain analyses, which have informed AAACP activities. On the other hand, AAACP inputs in the PNG coffee sector and in the Samoan Fruits and vegetables sector, have prepared the ground for a larger WB/IFAD project and the WB *Samoa Agricultural Competitiveness Enhancement Project* respectively. Similarly, SPC, the Programme Focal Point in the region, has been working closely with its Australian and Pacific counter-parts to ensure that the approaches developed under the AAACP in the Fiji and Samoa Fruit and Vegetable strategies, feed into the work of the “Pacific Agribusiness Research for Development Initiative” (PARDI). SPC is also working to ensure that the priority products and supply chains that will receive support from the AUSAID “Pacific Horticultural and Agricultural Market Access” (PHAMA) programme are the same as those identified under the AAACP.

