



## Promoting regional trade and agribusiness development in the Pacific

### AGRIBUSINESS FORUM: LINKING THE AGRIFOOD SECTOR TO THE TOURISM-RELATED MARKETS

Organised by CTA, PIPSO and SPC  
Hotel Sofitel Denarau Island, Fiji, 1-3 July 2015

This Forum is linked to the [Brussels Briefings](#) organized by CTA, the European Commission, the ACP Group and Concord on key issues related to ARD in ACP countries. It will also bring some experiences from the Caribbean through the [Intra ACP Agricultural Policy Programme](#).

#### 1. Context

While highly diversified, Pacific Island Countries (PICs) share common challenges that impede their efforts to achieve balanced economic growth and sustainable food security. Major constraints comprise small size, geographic dispersion, vulnerability to natural hazards and vulnerability to external economic conditions. The Pacific Region is facing many region-wide challenges, including the impact of climate change, a pressing need to generate livelihoods and populations that are more and more consuming imported, highly refined foods, accompanied by decreased local food production and consumption. The consequences are an imminent public health crisis and risks for environmental collapse.<sup>1</sup>

The two productive sectors agriculture and tourism seem to offer the best opportunities for inclusive economic growth in several Pacific Island Countries and therefore the promotion of linkages between tourism and agriculture should help create economic opportunities; build resilience in rural communities; and improve sustainable development in both sectors. In spite of the fact that agriculture remains for most countries in the region the main source of livelihood for the majority of the population, its contribution to economic value added has generally declined over the last decade, whereas the tourism sector has seen significant growth. It has become the “life blood” for several of the small island fragile economies.

Policy makers face a double-sided challenge, which is to ensure that tourism growth is sustainable and that the benefits produced from increased visitor numbers are maximized in country value added and that any increased wealth is shared with poorer rural communities. Reinforcing linkages between agriculture and developing synergies between tourism and agriculture should help to achieve the objectives of sustained and equitable growth. Nonetheless, it is important to ensure that interactions between tourism and agriculture result in synergies which are mutually reinforcing and not in competition for key productive resources.<sup>2</sup>

The development of closer links between agriculture and tourism is critical to ensure that they develop sustainability, especially when the former has been struggling to sustain economic growth in many island nations. Synergies between agriculture sector and tourism industry has the potential to sustain future development and increase income for local communities. The strength of linkages between tourism and agriculture is influenced by factors related to

<sup>1</sup> FAO, “Organic Agriculture and Fair Trade in Pacific Island Countries”, 2009, p. 3

<sup>2</sup> FAO, “Agriculture and tourism linkages in Pacific Island Countries”, Sub-Regional Office for the Pacific Islands, 2012

demand, supply, production, as well as marketing. Nonetheless, in spite of the fact that linkages between agriculture and tourism have the ability to sustain resources for future social, economic and ecological benefits, the concept has not been exploited much in the Pacific Small Island Developing States (SIDS).

Linkages between tourism and agriculture largely failed to emerge for several reasons: imported food is cheaper than local produce; tourism operators are not completely aware of the type and the quantity of locally grown produce; and hotels accept an opportunity cost to ensure superior quality and regularity of supply. Furthermore, tourists' preferences or at least perceived preferences for "international" food may further limit these linkages. The lack of information on the types and quantities of food needed by the tourism industry and loss of networks due to a change in such key personnel as a resort manager or executive chef may also sever linkages.<sup>3</sup>

## 2. Potential areas of linkage between tourism and agriculture in the Pacific

The most obvious area for strengthening linkage is in the supply chain for tourists consumption products, such as food and beverages, crafts, cosmetics, flowers and ornamentals, essential oils etc, in this manner reducing dependence on imported goods to supply tourist market needs and the leakage of foreign exchange. In order to service the tourist market, local producers need to find competitive and profitable ways to meet tourism industry demand for volume, quality, regularity and safety requirements. The ability of local agrifood systems to meet these requirements depend both on agriculture supply factors (natural resource base, farming systems in place, agro-processing and marketing capacity) and the kind of tourism development, which can be mass tourism, high end niche, health and wellness, eco-tourism etc.

Furthermore, the exposure of tourists to specific local products could also help export market penetration; when going back home tourists help build a domestic demand. Examples for market penetration include beef from Vanuatu; macademia nuts from Hawaii, red papaya from Fiji, black pearls from Cook Islands.

The table hereunder depicts some of the factors influencing the strength of linkage between agriculture and tourism in supply chains for local products.

### *Factors influencing the strength and type of linkage between tourism and agriculture*

Demand related factors	Supply related factors	Market and intermediary factors
<ul style="list-style-type: none"> <li>The kind of tourism development; type of visitor, accommodation with respect to ownership, size and class</li> <li>Tourism industry maturity</li> <li>The degree of promotion for local cuisine and the capacity to use local produce creatively in hospitality kitchens</li> </ul>	<ul style="list-style-type: none"> <li>Natural resource base; physical limitations on production (crops, livestock and fish)</li> <li>Entrenched production patterns (e.g. plantation crops for export)</li> <li>The quantity and quality of local production</li> <li>Price competitiveness of locally produced agriculture products</li> <li>Technology and processing limitations</li> <li>Health and safety standards in practice</li> </ul>	<ul style="list-style-type: none"> <li>Policy framework</li> <li>Marketing and infrastructure constraints</li> <li>Supply adjusted to demand</li> <li>Spatial and temporal patterns of supply (including seasonality in demand and supply)</li> </ul>

Source: FAO

Another way in which visitors can potentially boost markets for local agricultural products is through event tourism like sport events, festivals and conferences. Agriculture operators can further increase their earnings by organising tours to municipal fresh produce markets, farms, plantations and processing plants and from accommodation on farms.

<sup>3</sup> Singh, E., et. al., "Linkages between tourism and agriculture", in *Tourism in Pacific Islands: Current Issues and Future Challenges*, p. 165, <http://tinyurl.com/ptvgo9o>

Some other areas of potential interaction between agriculture and tourism include transportation, communications, utilities and other service provision. In the Pacific Island context, transportation represents a particularly important area in this respect. Improving transportation infrastructure and services primarily to accommodate and boost tourism could bring positive benefits for agricultural trade on both domestic and international markets. Mutual increases in the competitiveness of both the agriculture and the tourism sectors through linkages which create enhanced synergies should be the overriding policy goal. Hence, national policy frameworks for agriculture and tourism need to recognize the need for positive linkages and appropriate institutions need to be in place to foster them.<sup>4</sup>

### **3. Adding value to agricultural products**

Besides market opportunities, organic agriculture could increase PICs food self-reliance and therefore, contribute to reducing the trend of dependency on food imports, as well as improving nutrition. Worldwide, organic agriculture is growing speedily and the increasing consumer demand for organic commodities provides a viable opportunity for PICs farmers and processors to benefit from this growing international market. PICs traditional farming practices are very much in line with organic agriculture practices and many communities still have agriculture systems based on “age-old” practices. These methods ensure environmental integrity and do not employ chemical inputs. Nonetheless, for this products to be exportable as “organic” they have to be certified.<sup>5</sup>

Certification represents a procedure by which a third party gives written assurance that a product, process or service is in conformity with certain standards. Certification can be seen as a form of communication along the supply chain. The certificate demonstrates to the buyer that the supplier complies with certain standards, which might be more convincing than if the supplier itself provided the assurance.<sup>6</sup>

Organic agriculture provides important opportunities for PICs to export to niche markets a number of high-value, low volume crops, allowing them enhancing economic sustainability. Internationally recognized organic certification bodies have been critical in allowing Pacific organic producers access to international markets. For instance, in 2007, organically certified virgin coconut oil from Samoa was exported to the Body Shop International in the UK.<sup>7</sup> The beneficial benefits for local families are considerable. Moreover, certified organic cocoa in PICs is currently being produced in Vanuatu, Samoa and Papua New Guinea. The cocoa market is currently characterized by undersupply, which leaves space for growth and market opportunities. For PICs to be competitive cocoa producers, certification alone will not suffice. Focus should be placed also on quality, consistency, access to viable markets and marketing relationships and consumer education about the distinctness of PIC cocoa.<sup>8</sup>

### **4. The opportunities offered by Agritourism**

Tourism has the potential to stimulate demand in the agriculture sector, so it is important that linkages are created between them. If the benefits of tourism are to be distributed through the local communities, strong linkages between the industry and the agriculture sector need to be developed. They would also reduce the economic dependence of Pacific SIDS on imports. Enhancing the linkages between tourism and agriculture represents an important potential mechanism to stimulate and strengthen the traditional local agricultural sector and to improve the distribution of the benefits of tourism to rural people.

Furthermore, closer linkages with the tourism industry provide opportunities for niche markets, which have always remained a key challenge for sustainable agriculture. By developing an appreciation of local communities and their customs and traditions, a process of mutual

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<sup>4</sup> FAO, “Agriculture and tourism linkages in Pacific Island Countries”, Sub-Regional Office for the Pacific Islands, 2012, pp. 8-10.

<sup>5</sup> FAO, “Organic Agriculture and Fair Trade in Pacific Island Countries”, 2009, pp. 4-5

<sup>6</sup> Dankers, C., FAO, “Environmental and social standards, certification and labeling for cash crops”, 2003

<sup>7</sup> FAO, “Organic Agriculture and Fair Trade in Pacific Island Countries”, 2009, pp. 4-5

<sup>8</sup> FAO, “Organic Agriculture and Fair Trade in Pacific Island Countries”, 2009, pp. 46-47

respect and understanding between societies can be greatly enhanced, and the achievement of successful interaction between hosts and guests will benefit and sustain the well-being of local communities.<sup>9</sup>

Linkages between agriculture and tourism not only can potentially increase opportunities for domestic agriculture earnings and sector growth, but also offer opportunities to help develop visitor attractions and distinctive tourist destination brands by creative use and marketing of local produce and scenery. In order to acquire these benefits, the tourism industry needs to be proactive in utilizing local produce and agriculture sites as a tourist attraction. Therefore, technical capacity and skills need to be built in order to accomplish this.<sup>10</sup>

## **5. Promoting agribusiness and private sector development through agritourism**

The agribusiness forum in Fiji will highlight successes in strengthening links between agriculture and tourism industries in the Pacific region.

The three days meeting will analyse and discuss a few selected successes in linking agriculture (including fisheries) and tourism industry for improved market access and regional trade and will address the data gaps for agribusiness/agritourism.

### **Objectives**

- Promote linkages between the agrifood sector and the tourism industry to increase sustainable local sourcing
- Analyse the drivers of success through analysing some successful business models
- Identify further opportunities for linking small-scale farmers to the tourism industry in the Pacific and increase market linkages
- Generate ideas for a regional project on sustainable sourcing by the tourism industry/supermarkets from small-scale farmers
- Identify support needed to strengthen relations between chain actors and tourism industry in the Pacific

### **Target group**

Around 100 experts representing private sector, farmers organizations, policy-makers, research networks, development practitioners, and international organizations. Selected organizations from the Caribbean and the Indian Ocean will also bring their experience on the subject.

### **Organisers**

The Agribusiness Forum is an annual initiative launched at the UN SIDS Conference held in Samoa in September 2014 by CTA and the Pacific Private Sector Organisation (PIPSO). The first 2015 edition is organized with the Secretariat of the Pacific Community (SPC) within the Agritourism Week. The Intra-ACP Policy Agricultural programme is funding 13 experts from the Caribbean and the Indian Ocean.

### **Outputs**

Input and comments before, during and after the meetings will be included in the Briefings Website: <http://brusselsbriefings.net>.

A short report and a Reader in printed and electronic format will be produced shortly after the meeting.

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<sup>9</sup> Singh, E., *et. al.*, "Linkages between tourism and agriculture", in *Tourism in Pacific Islands: Current Issues and Future Challenges*, p. 166

<sup>10</sup> FAO, "Agriculture and tourism linkages in Pacific Island Countries", Sub-Regional Office for the Pacific Islands, 2012, p.9



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**Wednesday 1<sup>st</sup> July 2015**

#### 9h00-9h30 Opening remarks

**Chair:** Mereia Volavola, Chief Executive Officer, PIPSO  
Isolina Boto, Manager, CTA; Inoke Ratukalou, Director of the Land Resources Division, SPC;  
Renato Mele, Head of Operations, Delegation of the European Union for the Pacific; Klaus Stunzner, Chairman of PIPSO

**Formal opening:** Honourable Inia Seruiratu, Minister for Agriculture, Rural and Maritime Development & National Disaster Management, Ministry of Agriculture

#### **Special guest:**

What role for the agrifood private sector in the ACP-EU relations and 11<sup>th</sup> EDF?  
H.E. Roy Mickey Joy, Chairman of the ACP Committee of Ambassadors and Ambassador of Vanuatu to the EU

#### 9h30-10h00 Coffee Break and group photo

#### 10h00-13h00 Session 1 : Opportunities for the Pacific agrifood sector in tourism-related markets

This session will give an overview of the major trends in regional trade and the main tourism-related markets through the various perspectives of research, industry, government, finance  
Panelists:

- Developing tourism-market opportunities for Pacific products and promoting trade  
*Michael Wong, CEO, Fiji Hotel and Tourism Association (FIHTA)*
- Linking policies on agriculture and tourism: the case of Vanuatu  
*Adela Aru, Principal Product Development Officer, Manager of Vanuatu Tourism Ambassador Programme, Ministry of Tourism & Commerce, Vanuatu*
- Product development to better reach new markets  
*Cate Pleass, Marketing Director, Pleass Global Limited*
- Branding and labeling: key strategies for SIDS. The experience of the Caribbean.  
*Escipión Oliveira, Deputy Executive Director, CEDA*
- Going organic: a comparative advantage for the Pacific agritourism sector  
*Karen Mapusua, POETCom Coordinator*

- Main drivers of agritourism in the Caribbean  
*Ena Harvey, Agritourism Specialist, IICA; Isolina Boto, CTA; Kevon Rhiney, Expert Agritourism*
- What support for improved market access?  
*Giuliano Rosciglione, Monitoring Expert, ACP-EU TBT Programme*

### 13h00-14h00 Lunch

#### 14h00- 18h00 Session 2: Linking agriculture and tourism : Learning from successes

This session will look at various models of linkages between the agrifood and tourism sectors which serve tourism-related markets.

*Facilitator: Vili Caniogo, SPC*

- **Organic Farm to Table: creating a sustainable supply chain**  
*Alberta Vitale, Associate Director and Kalais Stanley, Programme Manager, Women in Business Development Inc (WIBDI), Samoa*

Small organic family farms, with an emphasis on youth, are at the heart of WIBDI's Organic Farm to Table programme that connects smallholder farmers to the tourism industry via hotels and restaurants. The programme has been running since December 2013 and is now expanding to include Farm to Home Table and Farm to Overseas Table.

- **Joe's Farm: Providing vegetables & salads to the tourism- markets in Fiji**  
*Michael Joe, Managing Director, Joe's Farm*

Since its establishment in 1981, the company Joe's Farm in Fiji has evolved into a vibrantly established growth entity engaged in the production, retailing, wholesaling, distribution, importing, exporting of farm fresh produce, frozen goods, hydroponics products, processed/manufactured food, liquor, and general groceries. Clients include supermarkets, retailers, hotels & resorts, restaurants & Fast-food outlets, vessels, aviation industry.

- **Vanuatu Direct Ltd Essential and central supplier of fresh and value added food through a certified system to Vanuatu hospitality sector**  
*Cornelia Wyllie, Vanuatu Direct*

This small business set up in 2006 supplies premium food and beverages in retail ready packs to consumers in Vanuatu, Australia and New Zealand. The company also supplies wholesale to supermarkets, hotels and restaurants as well as luxury yachts. The product range includes fresh produce from 350 contract eco-farmers, honey, shelf stable authentic tribal foods, juice, sauces and dried fruits without added sugar or chemicals.

- **Heilala Vanilla: branding and expanding markets**  
*Jennifer Boggiss, CEO, Director, and Co Founder*

Tongan organic Heilala Vanilla is one of the Pacific's fastest rising culinary stars. The products have impressed celebrity chefs, including UK-based Kiwi chef and restaurant owner Peter Gordon who conducted culinary tours to Heilala's sustainable plantation in the village of Uguntake, where they show guests how to create veritable vanilla-infused feasts. The company has worked closely with Massey University to develop its products. Markets include New Zealand, Australia, Malaysia, Singapore.

- **Promoting Pacific agri-processed food: Buy Samoa Made export Campaign**  
*Tagaloa Eddie Wilson, President, Samoa Association of Manufacturers and Exporters*

Established in 1986 Wilex Samoa is one of Samoas leading agro-processing and manufacturing companies, having won many Export Awards over the years. Wilex manufactures a wide range of products using locally grown crops (cocoa, coconut and its new range of Koko Samoa).

- **Tanna Coffee serves local and regional markets**  
*Terry Adlington, Managing Director, Tanna Coffee, Vanuatu*



Tanna coffee started almost 20 years ago and serves domestic hospitality and tourism industry in Vanuatu and in South Pacific. It grows, processes, and sells roasted and packaged pure Arabica coffee and provides equipment, and technical training to over 500 smallholder coffee farmers on Tanna Island, Vanuatu. It is the only South Pacific Company selected as a finalist in the G20 World Challenge for Inclusive Business Opportunities.

## Discussion

### Thursday 2<sup>nd</sup> July 2015

9h00-9h15 Short summary of Day 2: *Isolina Boto, CTA*

#### 9h15-10h45 Linking agriculture and tourism (cont.)

- **Sustainable Denis Island : A Vertical Integration Success Story of Agriculture and a Five Star Holiday Resort, Seychelles**

*Guy Morel, Management and Marketing Expert; Gilbert Port-Louis, Seychelles Agricultural Agency*

Denis Island is one of Seychelles' 115 islands. Once an important coconut plantation, this privately owned island in the western Indian Ocean could hold answers to some of the most troubling problems facing small island states around the world.

The Mason family, the owners and managers of the island, operates an up-market resort. They have opted to practice agro-tourism whereby the farm simultaneously operates in parallel with the resort, providing the hotel guests and the staff with fresh and organic produce. The approach sees Denis Island almost completely self-sufficient with pork meat, chicken, duck, rabbit, eggs, fresh milk, and a range of vegetables and fruits.

#### 10h45-11h00 Coffee Break

#### 11h00-13h00 Session 3: Linking fisheries to the tourism-related markets

*Organiser and facilitator: Erik Rotsaert, Fisheries Expert*

This session will show various models of linkages between the fisheries and tourism sectors in niche products (certified, ecolabelling...), aquaculture, and ranching sectors.

- **Te Uma Vate, Vanuatu:** Prawn Farm with environmental sustainable approach  
*Nicola Monvoisin, Vanuatu*
- **The Crab Company, Fiji:** Unique enterprise that specialises in the production of live mud crabs for the growing Pacific seafood market. It supplies crabs to major hotels in Fiji such as Sofitel, The Fijian, Hilton, Pearl, and the Wakaya Island Resort.  
*Dr Colin Shelley, Co-founder and Executive Director, The Crab Company of (Fiji) Ltd*
- What partnership between the tourist industry and the fisheries sector?  
*Georges Ringeisen, Executive Chef, The Grand Pacific Hotel \*\*\*\*\*, Fiji*

## Discussion

#### 13h00-14h00 Lunch

#### 14h00-16h00 Session 4: The Chefs: the link between sustainable tourism, agriculture and cuisine

*Organiser and facilitator: Chef Robert Oliver. Winner: Me'a Kai: The Food and Flavours of the South Pacific: Best cookbook in the world 2010. Mea'ai Samoa: Recipe and Stories from the Heart of Polynesia Best TV Chef cookbook in the world 2013.*

There is a need to upgrade farmers supply chains to larger hotels and resorts, stimulate demand of local products and its use by chefs who can promote ways to more creatively utilize local produce by the hospitality sector. It will illustrate how local food and local cuisine can be promoted in the tourism industry.

- *Robert Oliver, Chef, author and television presenter of Real Pasifik, Pacific*
- *Shailesh Naidu, President, Fiji Chefs Association, Executive Chef, Outrigger*
- *Chef Dane Saddler, Executive Chef, Caribbean Villa Chefs, Barbados*

- Chef, Vanuatu
- Ena Harvey, IICA agritourism expert

#### 16h00-16h15 Coffee Break

#### 16h15-18h00 Session 5: Agrifinance: new opportunities for the agribusiness sector/ Partnerships and PPPs for entrepreneurship in Agritourism

**Organiser and facilitator:** *Lamon Rutten, Manager, Policies, value chains and ICTs, CTA*

- *Tevita Madigibuli, General Manager Relationship & Sales, Fiji Development Bank*
- *Aseri Manulevu; Manager Business Finance, HFC Bank, Fiji*

#### Discussion

### Friday 3rd July 2015

9h00-9h15 Short summary of Day 2: *Mereia Volavola, PIPSO*

#### 9h15-10h30 Session 6: Addressing the data gaps for Agribusiness/Agritourism

**Organiser and facilitator:** *Chris Addison, Sr Coordinator Knowledge Management, CTA*

This session will share the work on agribusiness platforms being developed with CABA and PIPSO and the need to strengthen key business information and data for the SMEs and partners involved in the agribusiness sector. Some insights on the use of new technologies (i.e. drones) to build data will be shared as well as mapping farms with GPS and linking to mobile app to build data.

##### What data for agribusiness/agritourism?

- *Chris Addison, CTA and Stephane Boyera, ICT expert, Mereia Volavola, PIPSO and Vassel Stewart, CABA*
- *Anna Fink, SPC Expert, Agricultural Statistics*

##### What tools and applications to collect, manage and use data locally?

- *Amiaifolau Afamasaga Luatua, Samoa Tourism Authority*
- *Use of Drones in the Agritourism sector, Kevin Rotsaert, Skyward Industries Ltd, Fiji*
- *GIS & integrated data for sound business decisions, Faumuina F. Tafunai, WIBDI*

**Tracking Demand Dynamics of Agricultural Produce in the Seychelles: A Prerequisite for Strategy Formulation,** *Guy Morel, Management and Marketing Expert; Gilbert Port-Louis, Seychelles Agricultural Agency*

#### 10h30-10h45 Coffee Break

#### 10h45-12h30 Focus groups session

This action-focused session will capture the key messages and recommendations to take forward and some concrete deliverables needed to strengthen the sector.

#### 12h30-13h00 Wrap up and closure

#### 13h00-14h00 Lunch

#### 14h00-18h00 Field visit

Visit to Joe's Farm in Nadi.