



Pacific  
Community  
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SOUTH PACIFIC  
TOURISM  
ORGANISATION

**Policy Setting for Improved Linkages Between Agriculture, Trade and Tourism:  
Strengthening the Local Agrifood sector and Promoting Healthy Food in Agritourism**

**Concept Paper and Workshop organised by the Government of Tuvalu**

**In collaboration with and Pacific Community, CTA, PIPSO and SPTO**

**Funafuti, Tuvalu, 7<sup>th</sup> & 10<sup>th</sup> September 2018**

## **1. Background**

### **Promoting linkages between agriculture and tourism-related markets for improved food and nutrition security**

Tourism is the lifeblood of many Pacific economies and agritourism provides a promising avenue for diversification and trade growth. High quality, nutritious and healthy food, available every day of the year, is critical to hotels, lodges and resorts. Often the food purchasing bill of a tourism site is large in comparison to the size of the local economy, yet surprisingly little of this is spent locally, even when supplies are available from farmers, fishermen and small-scale agribusinesses. The challenges of shifting food-sourcing to local suppliers are considerable – achieving this in a way that meets commercial needs and customer preferences and meets food and safety requirements would be one way in which tourism operations can significantly increase their contribution to local economic development.

Tourism has the potential to stimulate demand in the agriculture sector, promote healthy and nutritious food and strengthen the use of local products, so it is important to create linkages between the two, and to develop a policy on agritourism. In addition to the strong economic value of developing a sustainable tourism sector, enhancing the linkages between tourism and agriculture represents an important potential mechanism to stimulate and strengthen traditional local producers and processors and to improve the distribution of benefits along the chain as well as generate investment incentives for local production. The trade policy environment should be more favourable to the private sector and investment, while supporting local entrepreneurs and SMEs through appropriate measures that address import substitution, notably in the form of tariff and non-tariff barriers.

Linkages between agriculture, health and tourism not only potentially increase opportunities for domestic agriculture earnings, new markets and product development and therefore sustainable economic growth, but also offer opportunities to help develop visitor attractions and distinctive tourism destination brands through the creative use and marketing of local produce and production techniques, and use of local landscapes. In order to acquire these benefits, the tourism industry needs to be proactive in utilizing local, high quality, healthy and niche agricultural products in touristic sites and events.

## 2. Context

The first Pacific Agribusiness Forum on *Linking the agrifood sector to the tourism-related markets* was held on 1-3 July 2015 in Denarau as part of the *Pacific Agritourism Week*, and organised by the Pacific Islands Private Sector Organisation (PIPSO), the Secretariat of the Pacific Community's (SPC) and the ACP-EU Technical Centre for Agricultural and Rural Cooperation (CTA). It highlighted successes in strengthening links between agriculture and tourism industries in the Pacific region. A major challenge identified was the lack of favourable policies in place to encourage linkages between agriculture, tourism and trade policies and the need to design and develop agritourism policies, which would facilitate those linkages at national and regional levels. An added element is to link with Health Ministry to promote quality products and healthy food as niche markets.

The Forum recommended the support of technical assistance to agribusinesses to support its linkages to the tourism industry. A feasibility study was supported by CTA and SPC for Joe's Farms Limited on the establishment of collection centers in rural areas for farmers. This feasibility study has been completed and Joes Farm's Ltd has started building collections centres.

The 2nd Pacific Agribusiness Forum on *"Linking the agrifood sector to the local markets for economic growth and improved food and nutrition security"*, held in Samoa was organized also as part of the strategic partnership between IFAD, CTA and PIPSO and financed by CTA (EU funding) and IFAD with a number of strategic partners such as the South Pacific Tourism Organisation (SPTO). Many other organisations brought support (SPC/PAPP, APP Caribbean, Pacific Cooperation Foundation, Samoa Tourism Authority and Samoa Chamber of Commerce, COLEACP, IICA). This multi-partnership approach is very important as a key constraint raised is ensuring there is communication and collaboration across the various organisations and programmes working in this area to avoid duplication of efforts and to maximize impact.

More than 100 experts representing private sector, farmers' organizations, policy-makers, research networks, development practitioners, and international organizations discussed in Samoa lessons learned from successful agribusiness models in linking farmers and value chain actors to local, regional and tourism-related markets in the Pacific and review the necessary inputs for realising better organised, integrated and competitive value chains in the agriculture and agribusiness sectors through skills development, finance/investment, data and information services and favorable policies.

The three-day meeting analyzed selected successes in value addition in the Pacific, focusing on marketing, branding, labelling to increase demand for higher quality and healthier foods and agricultural products.

One of the key recommendations from the 2nd Pacific agribusiness Forum was to *"promote linkages between agriculture and tourism industries"*. This would entail conducting workshops on agritourism policy setting, promoting the Pacific region as a food destination and developing national and regional fundraising proposals for the intra ACP EU funding and partnership development on agritourism.

Since 2016, a total of four consultative national agritourism policy setting workshops were organised in Vanuatu and Samoa, Solomon Islands in 2017 and Fiji in early 2018\_which led to concrete policy measures and funding proposals developed for each country.

In view of the positive experiences in Vanuatu, Samoa, Solomon Islands and Fiji and the potential opportunities in agriculture and tourism in Tuvalu, the Government of Tuvalu in collaboration with the development partners is supporting an Agritourism policy-setting for Tuvalu, which will develop further linkages between agriculture, trade and tourism sectors to support local businesses in serving tourism-related markets.

### 3. Agriculture and Tourism: Enhancing the Strategic Partnership

Agriculture industry comprises about 2% of GDP in Tuvalu. Tuvalu comprises of nine islands and the total land area is about 26 km<sup>2</sup>. The islands are all very low lying with narrow coral atolls and the highest elevation is 4.6 metres (15 ft) above sea level. This makes for an unfriendly climate and physical environment as well as poor land resources and soil. In addition the country is experiencing the rise of sea level and the infiltration of sea water to water sources and crops.

The Government of Tuvalu 2005-2015 National Strategy for Sustainable Development (Te Kakeega II) outlined its priority to boost socioeconomic development, including agriculture, fisheries and environmental management. In this regard, FAO has been working closely with the Tuvalu Government since 2003 to focus on three key areas which includes;

- Strengthened policy, legal and regulatory frameworks for sustainable agricultural development
- Enhanced resilience of agriculture, livestock and fisheries production systems
- Strengthened food safety and quality, and nutrition

As part of its work in Tuvalu, FAO has been focusing on climate resilient banana production, strengthening plant protection, developing pig husbandry and home gardening and the rehabilitation of giant taro pits.

The Taiwanese Government also provides some support for vegetables farming.

In 2016, through the assistance of EU, the Tuvalu Agriculture Strategic Marketing Plan (TASMP) for 2016-2025 was developed to increase the resilience of the Tuvalu people with regards to climate change by fostering a sustainable domestic trading platform for local food and other local produce, mainly traditional handicrafts.

Some of the key issues arising from the development of this marketing plan includes the increased sale and consumption of local food with emphasis on the 'Go Local' campaign; increased production of local food through organic farming, which includes development of the 'pulaka' pit system; revival of production of traditional quality handicrafts, which includes the establishment of minimum quality standards for handicrafts and educating the younger generation on the range of skills necessary in making handicrafts; and research and development with emphasis on the branding and development of export and cultural industries;

According to the United Nations World Tourism Organisation (UNWTO), Tuvalu was the least visited country in world in 2016.

Although there is no specific national country tourism development plan for the country, Te Kakeega II Mid-Term Review: Action Plan 2015, outlines the need to develop tourism and eco-tourism and support and develop new private sector tourism related enterprises.

Several campaigns on "*Timeless Tuvalu*" have generally failed to generate interest from travellers. Even by drawing attention to the prospect of the sinking islands as sea levels with climate change has failed to stimulate the growth in the number of arrivals.

There are significant challenges for Tuvalu which includes the limited infrastructure and transportation both domestically and international. Accommodation is only available on the main island of Funafuti.

Some of the key issues which need to be considered in developing agritourism linkage policy in Tuvalu are as follows:

#### **At the level of the Public Sector, agritourism linkages need to be prioritized through:**

- Multisectoral approaches: Agriculture (including fisheries), trade, health, environment and tourism policies are developed separately from each other and very few linkages are identified or pursued.

- Promoting quality food: the nature of island economies having limited land availability justifies focusing on quality and healthy food which contributes to food and nutrition security of local and foreign tourists.
- Branding: there is a need for public campaigns to brand Tuvalu as a unique tourist destination with a strong food and culinary offer. Awareness campaigns should target consumers (locals and tourists) on the various uses and benefits of local products (providing information on nutrition and health characteristics).
- Support to farmer's organisations production and marketing capacity: There is a need to create new opportunities for women and youth farmers, families and communities in promoting the use of local food.
- Support for coastal fisheries community to support the quality supplies of seafood and assist the women involved in fisheries
- Increased setting up/compliance of food safety regulations is needed to strengthen the reputation of the health and nutrition quality of local foods. Rating system for food health will reassure tourists.
- Education programmes, which feature the various dimensions in the use of local food need to be, strengthened which include the nutritional value.
- Promoting access to affordable ICTs and platforms, particularly with respect to the types of crops planted and available, fisheries products, processing companies and available products, disaggregated demand from local fresh market and distribution sectors, and from hospitality, tourism, and airline, artisanal actors and their products, level of exports, *inter alia*.
- Mitigation action to address climate change and rising sea levels and its impact of agricultural production

#### **Private sector has a significant role to play in agritourism development**

- There is a need for a collaborative effort by the private sector actors (including farmers' networks, processors, artisans and service providers) to work with the various ministries to put in place policies and strategies to build the tourism industry and link with the agriculture sector.
- Farmers' and fisherfolk organisations need to be strengthened and linked with the agribusiness and craft industries to add value to products.
- SMEs need to focus on product development, product differentiation, marketing and branding to add value to their fresh and processed products.
- Developing/strengthening niche markets: Organics, fair trade and origin-linked products can provide a comparative advantage for Tuvalu.
- Multi-stakeholder national platforms need to be established to influence policy bringing the various perspectives from agriculture, trade, health, tourism.

#### **4. Goal and Objectives of the workshops**

**Goal:** To promote sustainable use of local food by the tourism industry through a new coordinated Tuvalu Agritourism Plan or Strategy to strengthened intersectoral policies.

##### **Objectives:**

- To promote linkages between the agrifood sector and the tourism industry to increase sustainable local sourcing through a new developed agritourism plan or policy for Tuvalu
- To identify key institutional and supply chain gaps and issues that should be advocated through this new Plan and stakeholders that would drive the changes
- To formulated an initial work plan and a working group that will take forward concrete actions drawn from the consultations.
- To identify concrete projects that can be supported under the intra ACP EU funding.
- To contribute to the Pacific regional agritourism strategy.

#### **5. Participants**

Government officials from Agriculture, Trade and Tourism Ministries, private sector, farmers,

agro producers, chefs and actors from the hospitality sector, civil society and academia. International and regional partners will also share their experience.

## **6. Partners**

The policy process is led by the Ministry of Agriculture, Trade and Tourism of Tuvalu in close collaboration with the other ministries. Regional and international partners include SPC, CTA PIPSO and SPTO.

## **7. Expected results**

- A better common understanding of the opportunities in agritourism in Tuvalu
- A platform promoting linkages between Agriculture and Tourism is established
- Priority areas for development and support under the intra ACP funding are identified
- A Tuvalu Agritourism Policy and the framework to implement the policy are designed
- The main elements of the Strategy/policy on agritourism are developed and validated by the multi-sectoral focus group.
- An initial work plan and a working group that will take forward concrete actions drawn from the consultations.

