

**8th Regional Meeting of the Pacific Heads of Agriculture and Forestry Services
Partner Statement from the International Trade Centre
Thursday, 9 March**

I thank you for this opportunity to participate in the Eighth Regional Meeting of Pacific Heads of Agriculture and Forestry. Special thanks to the Land Resource Division of the Pacific Community (SPC) for the invitation and for facilitating International Trade Centre's (ITC) participation as an observer. It is a great honor to represent ITC at this event and take part in discussions on Growing together and transforming Pacific Agriculture.

We are gathered here to continue to work together and rethink partnerships, inclusive growth and economic transformation to increase food system's resilience to future shocks. And how we can leverage them to empower our farmers and micro, small and medium enterprises (MSMEs) facing great challenges. The participation of Pacific countries in regional and global value chains can allow them to increase their productivity, connect to the global economy, expand their exports and generate jobs and growth. However, multiple challenges are putting us to the test in making this a reality.

We are in the toughest period the world economy has faced since the creation of the multilateral system more than three-quarters of a century ago. A quadruple shock of COVID, climate change, conflict and cost-of-living has undone years of hard-fought development gains.

This reality has moved the topic of food security and the need for collective action to the top of the global agenda. In this context global, regional and local value chains disruptions are negatively affecting access, availability and affordability of food. Apart from the looming supply constraints, this crisis has already pushed food grain prices up sharply and prices for fertilizers and other energy-intensive products are experiencing a sustained appreciation.

Small holder farmers and agro processors across the world are paying the price. Already dealing with the effects of climate change, low market prices and fragile infrastructures, making a living income with these additional challenges is an uphill battle.

This requires a holistic approach that includes sustainable economic development, comprised of broad-based measures and adequately funded initiatives to support the strengthening of food systems at the

national and regional level and encourage investments for more resilient, climate-smart and self-sufficient food value chains. In the agricultural sector, and in agribusiness, positive economic transformation must mean more sustainable returns for smallholder farmers and the micro, small and medium enterprises (MSMEs) that contribute to food production across the value chain.

The core of building durable food systems is investing in the resilience of these MSMEs, including farmers who constitute the fabric for economic growth, productivity and income generation.

Across several ITC initiatives and programmes, we seek to help producers and MSMEs build resilience to food crises, climate change, market shocks, pandemic induced disruptions, and unlock market opportunities. Indeed, Domestic food markets are vibrant, dynamic and in a growth path that is hard to ignore. MSME powered value generation is the best means to not only capitalize on the opportunities of the local market but can also be a springboard to more integrated regional food trade and export. A competitive local MSME sector is key to drive growth, inclusion, prosperity and food resilience.

ITC with its Alliances for Action (A4A) approach brings together private and public actors to empower smallholder farmers, processors and manufacturers across the globe. The approach is designed to address the sometimes systemic and often multi-faceted challenges vulnerable countries face – on productivity, infrastructure, investments, operations or market connectivity.

There will never be a “one size fits all” solution to these challenges. But we can tackle them at the root, with tailor-made solutions for each country, island and each farming community.

ITC has been present in the Pacific region for the past 20 years, through its global public goods as well as dedicated technical assistance programmes supporting agriculture value chains, MSME competitiveness, trade policy and supporting WTO accession processes. ITC has been able to deliver on the ground thanks to the support of its regional partners such as the Pacific Community (SPC) and the Pacific Islands Forum Secretariat (PIFS).

ITC is currently implementing the ACP Business Friendly programme funded by the European Union (EU) and the Organisation of Africa, Caribbean and the Pacific Countries (OACPS). The programme focusses on scaling up sustainable agriculture and climate resilience, build strong food systems, adding value

at origin and establishing new market linkages through regional and local partnerships. In the Pacific, the programme is working on Coconut and Kava value chains and relies on a strong partnership between the Pacific Community (SPC) and ITC. Other international technical partners include the Basque Culinary Centre to support product innovation and the Caribbean Agricultural Research & Development Institute (CARDI), a Caribbean institution supporting peer to peer learning.

Collectively, valuable partnerships can accelerate and expand agribusiness opportunities. Increasing inter-regional trade can result in increased food security, but first it requires the development of an ecosystem to help Pacific private sectors to capitalise on market opportunities. Joining forces and sharing best practices with other regions, like the Caribbean, can help us move forward.

We must also help to provide credible market and trade intelligence and facilitate matchmaking between buyers and sellers. We must tackle reducing tariffs and removing obstructive non-tariff measures such as high transportation costs and investing in better port and land freight infrastructure. Lastly, we must take a holistic approach that focuses not only on trade of agricultural goods but also on agri-services.

In closing, I want to reiterate ITC's commitment to supporting the Pacific community to increase food security, and boost agribusiness opportunities.

Ladies and gentlemen, thank you.