

A review on the challenges

- ▶ A review of Organic certification in the Vanuatu coconut oil sector

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# Overview of the Previous Study

- Department of Industry of Vanuatu and UNCTAD commissioned a study in 2020
- Investigated organic certification situation in Vanuatu's coconut oil sector
- Data collected from 87 coconut oil farmers and processors

# Key Findings from Previous Study in 2020

- 18% of surveyed stakeholders were certified for Australian Certified Organic or BioGro New Zealand
- Study represented only 5% of coconut oil producers in Vanuatu
- Current barriers to organic certification: internal management systems, ongoing reporting, costs, and training.
- Suggested institutional frameworks: reducing certification barriers and establishing a national multi-stakeholder managerial body

# Participatory Guarantee Systems (PGS)

- Alternative type of organic certification system
- Self-regulate without third-party assessments
- Low-cost and locally-based system
- Emphasis on social control and knowledge building


# Organic Pasifika Certification (OPC)

- Regional-based brand for organic certification
- Specific guidelines for Vanuatu farmers
- Improved production and management capacity of smallholders
- Interest from coconut producers, but system needs modification for coconut guidelines





# Methodology of this review:

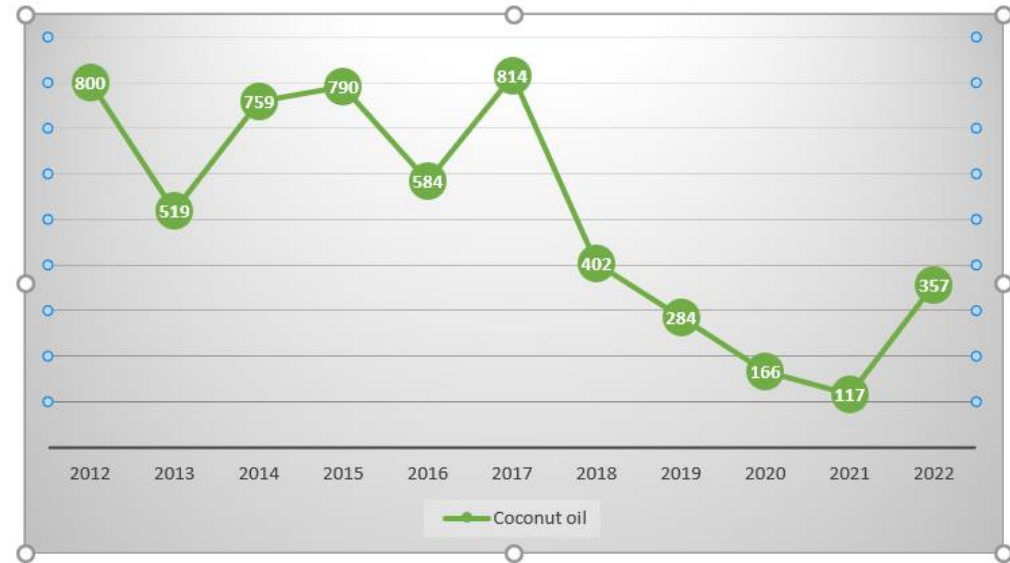
- Assessment of understanding: interviews, surveys, existing government policies, and workshop reviews
  - Evaluation of VSS certification: investigating presence and challenges of certification
  - Assessment of copra production and shifts: analysis of trends and impact on market
  - Examination of access to VSS markets: efforts by buyers and challenges in certification
  - Evaluation of government support schemes: effectiveness and impact of programs
  - Analysis of private sector interventions: interventions and export values of coconut oil
  - Summary of findings and recommendations
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## Coconut sector data:

Analysis of export values of coconut oil:

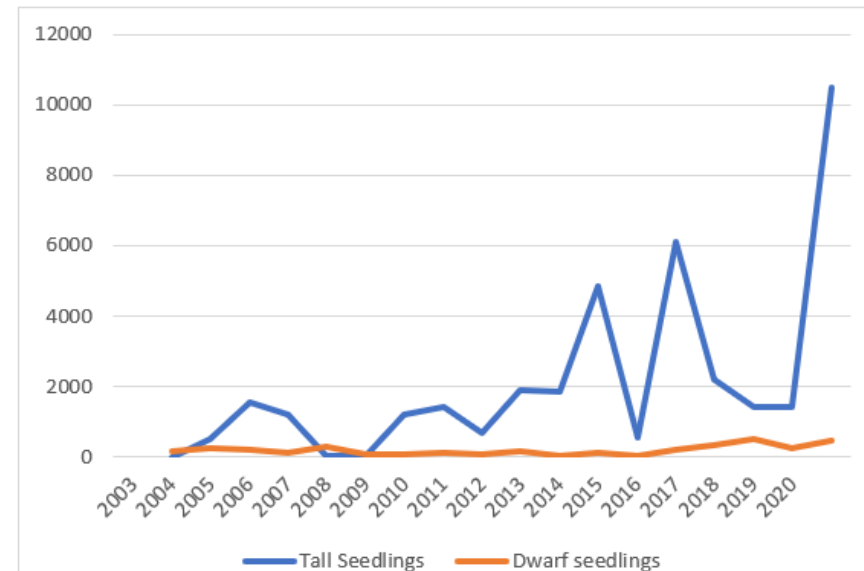
Evaluation of government support schemes: effectiveness and impact of programs

**Figure 1.** Export value of coconut oil (in millions of Vatu)



Source: based on the Vanuatu national statistics office report on the International Merchandise Trade Statistics from April to September 2022

**Figure 3.** Replanting trend for tall seedlings and dwarf seedlings





# Findings 1: Outcomes from the First National Workshop

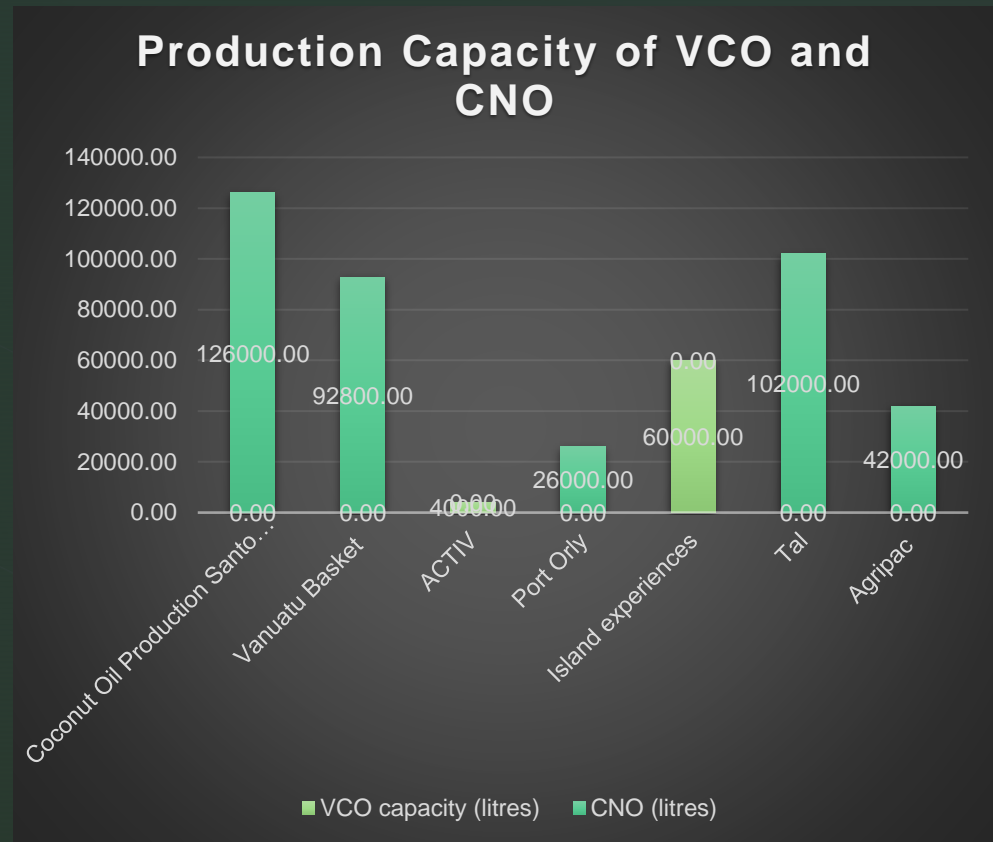
- Limited understanding of VSS concept among officials and consultants
- Emphasis on copra quality, doubts about copra exports
- Importance of VSS for sustainability and create an inducive environment should promote Export of virgin coconut oil.

## Findings 2: Little or No Indication of VSS Certified Producers

- Lack of follow-up on recommendations from the 2020 study
- No prior knowledge of VSS among coconut oil and copra producers
- Reluctance to shift to VSS-oriented production methods
- Potential loss of export opportunities and sustainable growth

## Findings 3: Production Capacity and Certification Challenges

- Limited production capacity in commercial coconut oil for export
- Varying production focuses and capacities among companies
- Export value of coconut oil shows variations and decline
- Inactive implementation of VSS certification harms quality

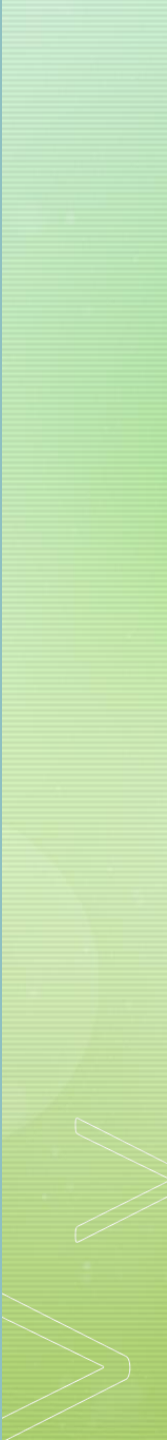


## Findings 4: Government and Private sector Support Schemes

- Assistance with Direct Micro Expellers (DME) facilities from Department of industries
- Underutilized DME facilities and quality issues
- Training programs and copra drying methods By Vanuatu Bureau of standards
- Replanting program for coconut tree population by DARD, DOI and VPPA



# Conclusion

- Limited understanding and action on VSS certification
  - Need for knowledge and resources for certification
  - Importance of sustainable production and export opportunities
  - **Recommendations:** reduce certification barriers, establish national management body, enhance government support, provide centralized resources
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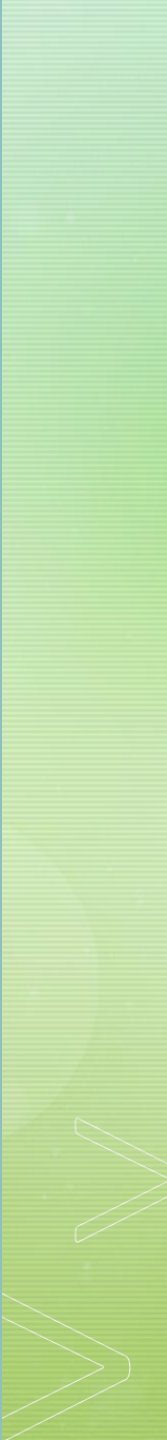
# Recommendations

- Policy Option 1: Reduce barriers to certification.
  - Streamline external auditors
  - Support internal auditors
  - Identify subsidies
- Area of Action 1: Government support for education and training.
  - Promote certification benefits
  - Conduct workshops and seminars
- Policy Option 2: Establish a national management body.
  - Oversee certification
  - Engage stakeholders
  - Collate data
- Area of Action 2: Address limited accessible export markets.
  - Centralized resource for export guidance and support





# Additional Recommendations

- Reallocate subsidies for copra quality enhancement
  - Consider higher levies on copra to incentivize oil production
  - Foster collaboration for a third-party certification system
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# Recommended National Action Plan for Implementing the Policy Options 1 and 2 in the Review

## **Policy 1: Reduce barriers to the acquirement and maintenance of third-party Organic certification for coconut producers and processors in Vanuatu**

- Activity 1: Support POETCOM in streamlining external auditors to reduce travel costs
- Activity 2: Identification, training, and funding of an in-country internal auditor
- Activity 3: Identify possible subsidies for the cost of third-party certifications

# Recommended National Action Plan for Implementing the Policy Options 1 and 2 in the Review

## **Policy Option 2. Establish a national management body in support of organic certification.**

- Activity 1: Identify and confirm a relevant structure to oversee the management, coordination and support of Organic Certification in Vanuatu
- Activity 2: Re-established previous frameworks for multi-stakeholder engagement under the coordination of a national management body
- Activity 3: Identify opportunities to collate data on organic producers in Vanuatu via existing online platforms

# Recommended National Action Plan matrix

## Policy 1: Reduce barriers to the acquirement and maintenance of third-party Organic certification for coconut producers and processors in Vanuatu

Support POETCOM in streamlining of external auditors to reduce the annual travel costs imposed on third-party certified enterprises								
issues	Initial ideas	What to do exactly	How to do it	Who is responsible	Who needs to collaborate	What resources are needed	When to start	Is it realistic and feasible
Activities of POETCOM not clear amongst coconut farmers	Raise national level awareness on the activities of POETCOM with the coconut sector	Visit the main coconut producing islands	Engage third party to do it	POETCOM in Vanuatu	VPPA and DARD	Funding support from the EDF11	Quarter 4 2023	yes
Identification, training and funding of an in-country internal auditor to support certified enterprises in ongoing compliance, reducing the time and therefore costs of external audits.								
Identification of funding agency or donor for funding the training	Secure donor funding for supporting the training of auditors	Develop project proposals for seeking the project fund	Speak to potential development partners	DoET	MSG, VBS, DoI, POETCOM	Funding, human resources and service providers	Quarter 2 2024	yes
Identify possible subsidies for the cost or partial cost of the annual fees associated with third-party certifications								
Who are the registered coconut farmer and coconut oil producers	Validate the list of organic coconut producers in all the areas of Vanuatu	Contact all coconut producers through VPPA	Visit the VPPA data	VPPA	POETCOM, DARD, DoI	Funding, human resources and service providers	Quarter 3 2024	yes

# Recommended National Action Plan

## Policy Option 2. Establish a national management body in support of organic certification.

	Initial ideas	What to do exactly	How to do it	Who is responsible	Who needs to collaborate	What resources are needed	When to start	Is it realistic and feasible	
Activity 1	Identify and confirm a relevant structure to oversee the management, coordination and support of Organic Certification in Vanuatu								
Issues									
Identify relevant authority for confirming coconut management structure	Consult with all relevant agencies to identify most appropriate system of establishing management structure	Coconut sector consultation	Undertake consultation	National working committee (NCWC)	Coconut committee	DARD, VPPA, DoI,	Funding and service provider	Quarter 4 2024	yes
Activity 2	Re-established previous frameworks for multi-stakeholder engagement under the coordination of a national management body								
Re-visit previous established frameworks for their effectiveness	Desk top research for establishing previous frameworks	Seek out how to strengthen the coconut industry	Consult with stakeholders	NCWC and coconut management body	VPPA, DARD, DoI	Funding and service provider	Quarter 1 2025	yes	
Activity 3	Identify opportunities to collate data on organic producers in Vanuatu via existing online platforms								
Identify organic coconut producers	Take stock of organic coconut producers	Conduct survey on the whole coconut sector	Work with coconut stakeholders	VPPA	VPPA, DARD, DoI	Funding and service provider	Quarter 1 2025	Yes	

Any questions

Thank you