



Subregional Action Plan for Green Trade Promotion

Green trade for sustainable development
in Pacific small island developing States
of the Melanesian Spearhead Group

Technical cooperation outcome



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Abbreviations

ASYCUDA	Automated System for Customs Data
FAO	Food and Agriculture Organization of the United Nations
IMPACT	Improving Pacific Islands Customs and Trade
MFTA	Melanesian Free Trade Agreement
MSG	Melanesian Spearhead Group
NTM	Non-tariff measures
PACER Plus	Pacific Agreement on Closer Economic Relations Plus
PHAMA Plus	Pacific Horticultural and Agricultural Market Access Plus
PIFS	Pacific Island Forum Secretariat
PoetCom	Pacific Organic and Ethical Trade Community
SAFE Pacific	Safe Agriculture Trade Facilitation through Economic integration in the Pacific
SDS	Sustainable development strategy
SIDS	Small island developing States
SPC	The Pacific Community
SPIRIT	Strengthening Pacific Intra-Regional and International Trade
EU-STREIT PNG	European Union-Funded Support to Rural Entrepreneurship, Investment and Trade in Papua New Guinea
TEOM	Trade and Economic Officials Meeting
UNCTAD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organisation
VSS	Voluntary Sustainability Standards
WTO	World Trade Organization



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Preface

The Subregional Action Plan is a result of the **Green trade for sustainable development in Pacific small island developing States of the Melanesian Spearhead Group** (MSG) project,¹ referred to as the MSG Green Trade Project. The objective of this project, conducted by UNCTAD and the MSG Secretariat,² was to identify and strengthen synergistic linkages between green trade promotion and the Sustainable Development Strategies (SDS) of MSG member States – Fiji, Papua New Guinea, Solomon Islands and Vanuatu – in a regionally collaborative manner.

The Action Plan represents Phase 2 of the MSG Green Trade Project and has been developed jointly with the MSG Secretariat and its members States. The plan calls for actions by the four national governments, the MSG Secretariat, the private sector and the international community. Phase 2 aims to strengthen the subregional multistakeholder partnership and the establishment of a mechanism of a better coordination of national development strategies. It builds on the substantial work completed during Phase 1 of the project.

Phase 1 was conducted at national level in the four member States, yielding two activities and three reports for each member State. The activities and reports for each country comprise³:

- 1) Conducting two national workshops.
- 2) Collecting and publishing Non-Tariff Measures (NTM) data.
- 3) Publishing an assessment of Voluntary Sustainability Standards (VSS) for one selected product.
- 4) Publishing an export guide on the same product.
- 5) Publishing a report on synergistic linkages between green trade promotion and the national SDS.

Phase 1 also devised a set of policy recommendations specific to each country, which are detailed within the reports.

Representatives from the four countries **agreed on the actions elaborated within this Subregional Action Plan** at the MSG Green Trade Project 3rd Regional Workshop held in Port Vila, Vanuatu, on 16 and 17 October 2023.

¹ The project website can be accessed at: <https://unctad.org/project/green-trade-sustainable-development-pacific-small-island-developing-states-melanesian>

² For more information, see: <https://msgsec.info/about-msg/>

³ The exceptions to the format of these five activities are Fiji, which had only one national workshop; and Vanuatu, which already had a VSS assessments report for vanilla



Executive summary

In an era where global efforts are converging towards sustainable development, the Melanesian Spearhead Group (MSG) countries – namely, Fiji, Papua New Guinea, Solomon Islands and Vanuatu – are making conscious efforts to align economic growth objectives with sustainable development principles. This is important for the sub-region as a whole, as MSG countries are extremely vulnerable to climate change. Against this backdrop, fostering growth that is both resilient and inclusive requires a coherent effort from both the public and the private sector. Coherence is crucial, especially considering the youthful demographic that constitutes a majority of the region's population. It is vital to create economic opportunities that cater adequately to youth and women.

To address these challenges in a coherent way, UNCTAD and the MSG Secretariat⁴ embarked on the Green trade for sustainable development in Pacific small island developing States of the Melanesian Spearhead Group project, referred to as the **MSG Green Trade Project**. **The goal of this initiative was to identify and amplify synergistic linkages between green trade promotion and Sustainable Development Strategies (SDS) in a regionally collaborative manner.**

This Subregional Action Plan proposes a collective pathway for the four countries towards enhancing green trade and sustainable development in the MSG region. Furthermore, the Subregional Action Plan aims to help promote inclusiveness to leave no one behind. It embodies an approach whereby sustainable development harmonizes with economic growth, ensuring that the resulting benefits are equitably distributed across all sectors of society.

This Action Plan represents **Phase 2** of the MSG Green Trade Project, building upon the substantial groundwork established during Phase 1, which took place at the national level in the four MSG member States. Phase 1 includes comprehensive **Non-Tariff Measures (NTM) data collection** from each member State; three **Voluntary Sustainability Standards (VSS) assessment reports**; and four **national export guides** developed for selected products, namely, ginger in Fiji, vanilla in Papua New Guinea, kava in the Solomon Islands, and virgin coconut oil in Vanuatu. Additionally, Phase 1 also includes, for each country, **a report on synergistic linkages between green trade promotion and the national SDS**. Phase 1 also devised policy recommendations specific to each country. These outputs were discussed and reviewed during national workshops. Detailed activities are shown in Figure 1.

The Action Plan articulates three fundamental Actions vital to fostering sustainable economic development and inclusivity in the region: (1) capacity building, (2) enhanced data collection, and (3) policy coordination.

► Action 1: Capacity Building

Action 1 emphasizes the critical role of capacity building in fostering a knowledge base capable of adeptly promoting green trade. It seeks to facilitate a balanced and open trade environment where barriers are systematically identified and mitigated, paving the way for smoother and more progressive trade processes. Moreover, capacity building extends beyond trade, urging MSG countries to leverage all available resources to strengthen the capacities of both the public and private sectors.

⁴ For more information, see: <https://msgsec.info/about-msg/>



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► Action 2: Enhanced Data Collection

Action 2 highlights the imperative nature of advancing data collection, especially of trade related policy data, a facet emphasized by numerous stakeholders throughout the process. Effective data collection serves not only as a foundation for informed policy making and implementation but also as a tool to enhance trade, development, and inclusivity.

► Action 3: Policy Coordination

Action 3 underscores the necessity of coordinating policies and regulations across member States, while fostering a culture of sharing best practices in policy making. This initiative is not confined to enhancing regional trade but also encompasses the development of policies aimed at safeguarding the population, the environment, and the wellbeing of MSG citizens. Coordination in this arena promises to benefit the entire region.

► **Figure 1.**
Phases, activities and reports of the MSG Green Trade Project

		Activity	National workshops ²	NTM data	VSS assessments	Export guides	Reports on synergistic linkages
		Country					
Phase 1 National Level	Fiji	National workshop	Fiji NTM data	VSS assessment report on ginger	Export guide on ginger	Report on synergistic linkages	
	Papua New Guinea	National workshops	Papua New Guinea NTM data	A VSS guidebook for vanilla in Papua New Guinea	Papua New Guinea vanilla export guide	Report on synergistic linkages	
	Solomon Islands	National workshops	Solomon Islands NTM data	VSS assessment report on kava	Export guide on kava	Report on synergistic linkages	
	Vanuatu	National workshops	Vanuatu NTM data	(Assessment of organic certification in the coconut oil value chain in Vanuatu) ¹	Vanuatu virgin coconut oil export guide	National synergistic linkages between green trade and sustainable development: Vanuatu	
Phase 2 Sub-regional Level	Melanesian Spearhead Group (MSG)	Sub-regional action plan					
		Regional workshops ²					

Source: UNCTAD.

¹ This report is part of a previous project and was published in 2020.

² The webpage of all the workshops can be found under the “Events & meetings” tab of the project website: <https://unctad.org/project/green-trade-sustainable-development-pacific-small-island-developing-states-melanesian>

Note: The reports without a hyperlink are yet to be published.

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The Subregional Action Plan is closely aligned with the Melanesian Free Trade Agreement (MFTA) and has the potential to serve as a pragmatic step towards furthering the objectives of the MFTA.⁵ By fostering cooperation, knowledge exchange, and data collection, the specific actions identified in this Plan can contribute to the establishment of a robust framework for trade and economic collaboration among the MSG member States. Moreover, the recommended actions are aligned with the twelve pillars of the MSG 2038 Prosperity for All Plan, a subregional sustainable development strategy facilitating a harmonized approach towards sustainable development in the region.

The Subregional Action Plan proposes to establish a Regional Implementation Group. This body is anticipated to serve as the central entity responsible for delineating implementation phases, monitoring the steady progression of the plan, and fostering collaboration among the MSG member States. Moving forward, the proactive engagement and strategic initiatives of the MSG member States and the MSG Secretariat will be decisive. Their concerted efforts in the upcoming period are vital in steering the region towards robust economic collaboration and sustainable growth. By undertaking these actions, MSG member States will strengthen synergistic linkages at the regional level, and develop a region where no one is left behind.

Whilst the MSG Green Trade Project did not address infrastructure issues directly, it acknowledges that improvements to infrastructure are essential to promoting green trade and sustainable development.

This report was drafted jointly by UNCTAD and the MSG Secretariat, involving all four member States in the process with the intention that the MSG Secretariat follow up and adopt it as an official document of the sub-region. It was validated by MSG member States' representatives and the MSG Secretariat at the MSG Green Trade Project 3rd Regional Workshop held in Port Vila, Vanuatu, on 16 and 17 October 2023. The plan calls for actions, detailed below, by the four national governments, the MSG Secretariat, the private sector and the international community.



⁵ More information on: <https://msgsec.info/msg-trade/>





1. Introduction

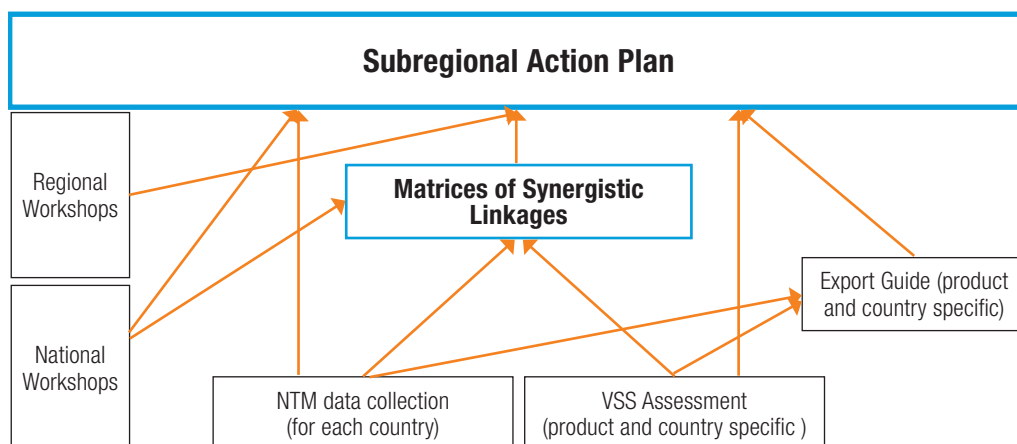
The MSG countries all face challenges in international trade due to characteristics typical of small island developing States (SIDS). Smallness and physical remoteness prevent them from taking advantage of economies of scale and charge them with extremely high trade costs. Securing access to basic supplies necessary for food security, health, and energy can be difficult when prices fluctuate.

At the same time, SIDS are typically dependent on the export of a limited number of agricultural commodities, to a small number of markets (UNCTAD, 2022a). In this regard, the best way for SIDS to benefit from international trade is to find niche markets in which their products can compete with attributes other than price. Another specific challenge is vulnerability to climate change, which require MSG countries to conduct their economic activities in a way that is resilient to severe weather and other natural disasters. In this context, promotion of green trade is desirable for getting into niche markets on the one hand and for contributing to social and environmental benefits on the other hand.

To navigate these challenges, UNCTAD and the MSG Secretariat⁶ embarked on the **Green trade for sustainable development in Pacific small island developing States of the Melanesian Spearhead Group** project, referred to as the **MSG Green Trade Project**. The goal of this initiative was to identify and amplify synergistic linkages between green trade promotion and Sustainable Development Strategies (SDS) in a regionally collaborative manner. The MSG Green Trade Project had two phases – national and regional – and seven kinds of activities. These activities were complementary or sequential to each other (see Figure 2).

The goal of [...] the MSG Green Trade Project is to identify and amplify synergistic linkages between green trade promotion and Sustainable Development Strategies (SDS) in a regionally collaborative manner

Figure 2. Activities of the MSG Green Trade Project and their linkages



Source: UNCTAD.

⁶ For more information, see: <https://msgsec.info/about-msg/>

This Subregional Action Plan represents Phase 2 of the MSG Green Trade Project, building upon regional workshops and the substantial groundwork established during the first phase. **The Subregional Action Plan draws on the policy recommendations devised during Phase 1 of the project. It was drafted jointly by UNCTAD and the MSG Secretariat, involving all four member States – Fiji, Papua New Guinea, Solomon Islands, and Vanuatu – in the process, with the intention that the MSG Secretariat follow up and adopt it as an official document of the sub-region. This collaborative process ensures that the final ownership of the Subregional Action Plan rests with the MSG Secretariat and its member States. It will provide a basis for reinforcing regional collaboration and enhancing green trade at the MSG level.**

Outline of Phase 1: The National Studies

The national phase of the MSG Green Trade Project laid a solid foundation, primarily focused on augmenting the export of niche commodities from MSG countries. A vital aspect of this phase was the extensive Non-Tariff Measures (NTM) data collection from each member State, which provided insights into existing market requirements and potential barriers. This data now stands as a cornerstone in crafting sustainable and inclusive economic policies aimed at integrating all societal sectors into the region's economic landscape and with a particular emphasis on youth and women. For the four selected products – ginger in Fiji, vanilla in Papua New Guinea, kava in the Solomon Islands, and virgin coconut oil in Vanuatu – three Voluntary Sustainability Standards (VSS) assessments reports and four national export guides were developed. The former assessed the potential of

VSS and the latter described in detail all procedural steps required for exporting.

These national activities were concluded by the development of the reports on synergistic linkages between green trade promotion and national SDS, while focusing on the aim of “leaving no one behind”. The four national synergistic linkages reports not only highlight opportunities for fostering green trade but also provide concrete policy recommendations. These collective efforts were concluded by a series of national workshops in June 2023,⁷ encouraging dialogue and collaboration among a wide range of government and private sector stakeholders. A summary of the national activities which took place during Phase 1 and fed into the Subregional Action Plan is presented as Annex 1.

Outline of Phase 2: The Subregional Action Plan

In Phase 2, the Subregional Action Plan and coordination mechanism for the MSG member States was developed. As a central element of MSG Green Trade project, it outlines the efforts MSG member States can undertake to strengthen synergistic linkages at the regional level, which incorporate actions to “leave no one behind”, supported by the MSG Secretariat. This Action Plan leverages insights from the second regional workshop conducted under this project on 23 August 2023. It was formulated jointly by UNCTAD and the MSG Secretariat with the MSG member States and was validated at the third regional workshop on 16-17 October 2023. This Subregional Action Plan is the identification and confirmation of the MSG countries' prioritized needs for action to strengthen the synergistic linkages between green trade and sustainable development.

⁷ 8-9 June 2023 in Vanuatu, 12-13 June 2023 in Fiji, 19-20 June 2023 in Solomon Islands, 22-23 June 2023 in Papua New Guinea.



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Section 2 develops measures within the identified areas, offering a concrete analysis and actionable steps to enhance capacity building, enhanced data collection and policy coordination processes. Section 3 describes how the Subregional Action Plan can support green trade and SDS. Section 4

proposes an implementation mechanism for the Action Plan. Section 5 notes the current infrastructure challenges, proposing ways to facilitate regional integration into global value chains and foster sustainable growth.⁸ Section 6 concludes.



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⁸ The inclusion of a section on the importance of infrastructure development was decided by member States during the second regional workshop on 23 August 2023.





2. Three subregional level actions for green trade promotion

The Subregional Action Plan and coordination mechanism for MSG member States defines areas of focus to enhance green trade, emphasizing the important objective of inclusive development, aligning with the aspirations of the MSG 2038 Plan and facilitating increased trade flows through the implementation of the Melanesian Free Trade Agreement (MFTA).

Concretely, this Subregional Action Plan identifies three areas of focus for coordination in the Melanesian sub-region:

- a) Capacity building**
- b) Enhanced data collection**
- c) Policy coordination**

In addition, the current lack of comprehensive infrastructure—encompassing testing facilities, farming equipment, cold chains and more — has been identified as a major hindrance to growth and active participation in global value chains. The need to address infrastructure development in the region is discussed in Section 4.

a. Action 1: Capacity building

Background

Capacity building and knowledge exchange are important for fostering growth in MSG countries. Throughout the various stages of the MSG Green Trade Project — from discussions with national stakeholders at workshops to drafting documents such as the VSS assessment reports and export guides — a recurring theme has been the need to develop local capabilities. This focus extends beyond the immediate areas

of work of the MSG Green Trade Project and encompasses broader domains where enhancing access to information and knowledge sharing is needed.

Against this backdrop, more expansive training and improved access to information on export markets is crucial. Trade officials and stakeholders from the private sector requested a more profound understanding of NTM data, and insights into export procedures. They also asked for easier access to pertinent information on local legislation. Participants in the workshops also identified that improved knowledge about VSS would help exporters access niche markets.

The national workshops conducted in the four MSG countries were acknowledged as a positive initial step, allowing for the development of capacity building and knowledge exchange. However, the vision for capacity building extends beyond the trade sector and is not just limited to commodity exporters. There is a consensus among the stakeholders involved in the MSG Green Trade Project that capacity building initiatives should encompass policymakers, government stakeholders, and the private sector, including farmers and small businesses. It is pertinent to note that these capacity building initiatives need to be made particularly accessible to women and youth, who are often at a disadvantage, thus ensuring they are not left behind.

More expansive training and improved access to information on export markets is crucial.



Objective

The main objective is to develop capacity building and knowledge exchange as a central element of fostering growth in the MSG region. This process is not confined to improving trade practices but extends to various other sectors that contribute to the development of the region, such as by sharing good agricultural practices.

Main actions

The MSG countries can share knowledge among themselves systematically to foster an environment that encourages continual learning and improvement. This area of action is broad and requires that all existing training activities and online courses be shared comprehensively. An important element of this involves sharing current training opportunities with all stakeholders and, where possible, extending these to the private sector. This means sharing resources – such as training manuals and materials obtained from diverse sources like international organizations – with both government officials and business associations to facilitate broader access. Such an approach also encompasses notifying partners about workshops, online courses, and any data that might be of use. Furthermore, when national governments develop in-house training activities, they could circulate good practices more widely, thus complementing the initiatives of Action 3.

Specifically, within the domain of green trade fostered under the MSG Green Trade Project, it has been observed that the private sector often lacks access to information as well as awareness of existing information sources. Addressing this gap represents a straightforward way to augment business opportunities.

Furthermore, countries in the region might consider developing and conducting regional workshops and training sessions to enhance understanding of green trade practices and sustainable development

among pertinent stakeholders, such as policymakers, government officials, and farmer organizations. Encouraging the exchange of knowledge and sharing of best practices can bolster regional cooperation and coordination, allowing countries to leverage and learn from the experiences of others. For instance, the practices and certification processes in the organic sector are considerably more developed for the ginger sector in Fiji than in the vanilla sector in Papua New Guinea, the kava sector in Solomon Islands, and the virgin coconut oil sector in Vanuatu. Sharing the experiences and best practices on organic certification learned by Fiji could thus benefit the region. It is imperative that this information is disseminated throughout the region, possibly through capacity-building and training workshops.

Specific activities

1. Compile and distribute resources.

Compile existing training materials, manuals, and other resources and share them with other MSG member States. This means building on existing resources such as online courses, published documents, contacts for trainers, funding and programs.

2. Develop and conduct training sessions.

Organize sessions for skill development and knowledge sharing for SMEs, smallholders, farmer organizations, and government officials. The sessions should focus on sharing experiences and best practices for both domestic and international trade. For example, sharing how compliance with the Organic Pasifika standard can help boost green trade with partners in the Pacific region. This can also be done in partnership with organizations/entities active in this domain, such as PoetCom.

3. Identify the needs for training. Maintain a regular dialogue among MSG member States to discuss local training needs, enabling partners to determine their requirements and notify each other about available relevant trainings.



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4. Reinforce partnerships. Develop and maintain relationships with regional and international organizations to leverage existing resources and convey current needs.

5. Develop a regional VSS platform. This can be done in coordination with all MSG countries. This will be a platform that can facilitate the sharing of experiences between countries in the region. Countries can lead the development of the platform, and a mechanism can then be established for regular sharing of information and capacity-building activities related to VSS to help boost green trade.

6. Create a dedicated working group. Create a dedicated working group or session on capacity building and knowledge sharing during MSG Trade and Economic Officials Meetings (TEOM).

Recommendations and timeline

Table 1 lays out a plan to help the MSG countries work together more effectively. It outlines key activities, suggestions, and timeframes that will guide efforts in building skills and sharing knowledge to foster growth in the region.

Table 1
Recommendations and timeline Action 1

Activity	Recommendations	Priority Level	Timeline
1. Compile and distribute resources	- Designate a national contact point for capacity building and knowledge exchange.	High	Short-term
	- Compile and update existing training materials and resources.	High	Medium-term
	- Develop a system for regular updates and dissemination of compiled resources to member States.	High	Medium-term
	- Engage with international organizations to incorporate a diverse set of materials.	Medium	Medium-term
2. Develop and conduct training sessions	- Establish partnerships with regional and international organizations for collaboration in training initiatives.	Medium	Medium-term
	- Foster continuous improvement through feedback and adaptation of training content and methods.	Medium	Long-term
3. Identify training needs	- Establish a forum or communication channel for regular dialogue among MSG member States.	Medium	Medium-term
	- Develop mechanisms for feedback and assessment of local training needs.	Low	Long-term
	- Create a national file of identified training needs to facilitate future planning.	Medium	Long-term
4. Reinforce partnerships	- Identify and connect with regional and international organizations for collaboration.	High	Medium-term
	- Facilitate regular discussions to align goals and strategies with partners.	Medium	Long-term
5. Develop regional VSS platform	- Initiate discussions among MSG countries to outline the objectives and structure of the regional VSS platform.	Medium	Long-term
	- Assign responsibilities to different countries for the development of various components of the platform.	Low	Long-term
	- Collaboratively design and develop the platform, ensuring user-friendliness and effective information sharing.	Low	Long-term
	- Test the platform internally and finalize its structure and functionalities.	Low	Long-term
6. Create a dedicated working group	- Propose the establishment of a dedicated working group during MSG TEOM meetings.	Medium	Short-term
	- Facilitate regular meetings and activities to ensure active engagement and progress.	Low	Medium-term

Source: UNCTAD.

Actors and their role in capacity building

In the effort to foster capacity building and knowledge exchange in the MSG region, several key actors play vital roles. These actors contribute to the process of building and reinforcing sustainable knowledge sharing. The actors and their roles are the following:

1. MSG Secretariat, national governments, and policymakers

- **Role:** Initiate and foster dialogue among MSG member States, identify training needs, and facilitate the spread and implementation of capacity-building initiatives. This group could also be responsible for developing policies that encourage green trade and sustainable development (linked to Action 3). They also coordinate the working group at the MSG TEOM meeting.

2. Private sector (including small businesses, farmers and business associations)

- **Role:** Actively participate in training sessions and workshops, utilizing the knowledge gained to enhance business opportunities. The private sector is also central as it develops its own initiatives and should communicate its need regarding capacity building to national governments.

3. Women and youth

- **Role:** As significant segments of the population, active inclusion is important. Their role is to actively engage in capacity-building initiatives, ensuring that they too can benefit from and contribute to growth in the region.

4. International and regional organizations

- **Role:** Support the initiatives by providing resources, expertise, and platforms that facilitate knowledge exchange and

capacity building. Collaborations with other organizations can be beneficial in enhancing training initiatives and developing broader networks.

Ongoing/planned activities and organizations to collaborate with (see details in Annex 2)

UNCTAD (IMPACT project), SPC (SAFE Pacific project), PIFS (SPIRIT project), PACER Plus, PHAMA Plus, UNIDO, PoetCom, FAO (EU-STREIT PNG programme), World Bank, WTO.

b. Action 2: Enhanced data collection

Background

The MSG Green Trade project activities have highlighted that there is a noticeable gap in the availability of three kinds of data that are relevant to NTMs, VSS and ultimately green trade policies:

- 1) data on trade such as export volume and regulatory information;
- 2) data on production such as agricultural production value and the number of farmers;
- 3) data on farmers such as income level.

It is important to note that the availability gap does not mean a complete absence of data, but rather points to the lack of centralized sources and severe discrepancy in figures across multiple sources, both of which make an access to comprehensive information difficult. Limited access to data poses a significant barrier to analysis that could facilitate sustainable trade practices, particularly for marginalized groups such as women, youth, and smallholders. Whilst some MSG countries already manage to gather a substantial amount of trade data through the Automated System for Customs Data (ASYCUDA) World, there are

Limited access to data poses a significant barrier to analysis that could facilitate sustainable trade practices, particularly for marginalized groups such as women, youth, and smallholders.



still difficulties in collecting production data owing to resource constraints in Pacific nations.

Before this project, data regarding NTM was scarcely available in the region. The project has played a pivotal role in initiating the collection and evaluation of NTM data, filling a critical gap in the trade sector. Furthermore, the proper dissemination of regulatory information will be instrumental in promoting compliance with trade policies, thus reducing the resource and time expenditure for both traders and government officials. This initiative serves to simplify the interaction between government agencies and traders, promoting a smoother and more efficient trade process. The NTM data is readily available on UNCTAD TRAINS online database.⁹

The lack of available data, especially with respect to VSS-compliant trade, was a challenge observed throughout the project. The collection of VSS data would be a significant step forward in fostering green trade. Using this data, the governments of the MSG member States could devise policies that are in tune with current market trends and consumer preferences, encouraging green exports (in line with Action 3). This strategy could potentially create an environment where making informed decisions is a common practice, developing a more inclusive and prosperous trade sector.

Objective

The objective of Action 2 is to systematically collect trade policies related data (on NTMs and VSS) and address the gaps in data availability. Collecting comprehensive and high-quality data and making them available would enable government officials and traders to make informed and evidence-based decisions on green and sustainable trade. Also, it would allow them to monitor the effect of their decisions that are put into an action.

Main actions

To bridge the gaps identified by the MSG Green Trade Project, it is suggested that MSG member States review and reinforce their existing data collection systems. The primary task is to identify crucial metrics and data sources that are central to understanding the effects of policies on variables such as export and production volumes. This action should be able to locate and address the challenges associated with policy implementation while encouraging the creation of targeted policies, especially supporting green trade.

Collaboration at the MSG level is a critical aspect of enhancing the data collection mechanism. Establishing a routine for regular exchanges of information encourages member States to share insights and successful practices, promoting an atmosphere of mutual learning and cooperation across the region (in line with Action 1 and 3). It also emphasizes the importance of data in policymaking, coordinating data collection methods and ensuring consistency in the data available for policy analysis and formulation.

Furthermore, MSG member States should explore innovative ways to refine the national data collection processes. This could include the addition of new data fields in customs documents and system to capture vital trade data such as trade agreements under which products are exported or imported. Collecting geographic information via mobile phones and other devices and using the information for auditing is prevalent in several international VSS. Such technologies can provide a deeper layer of analysis.

Moreover, at the regional workshop on 16 and 17 October 2023, participants put an emphasis on the importance of identifying funding to collect data at the farm and production level.

⁹ <https://trainsonline.unctad.org/home>



Specific activities

1. Review and enhance data collection

systems: Review existing data systems by taking stock of what is being collected, by whom and how. The review includes not only the data collected by government agencies but also the data collected by private sector such as associations and business councils. Then, clearly formulate a policy question and identify critical metrics and data sources that could shed light on the question. Lastly, explore data sources or data collection initiatives outside the country that could be used as a way to leverage limited resources. For example, connecting with the Pacific Community (SPC) Pacific Data Hub or ensuring regular update of the existing NTM database, TRAINS online.

2. Facilitate information exchange at the

MSG level: Establish a structured schedule for regular reporting in order to foster seamless exchanges of information on data collection methods, of experiences on data-

based policy making, and where possible, of the data itself among MSG policymakers.

3. Integrate innovative ways of data

collection: Find innovative ways of collecting data efficiently and effectively, such as including an additional field on existing customs forms and utilizing geographic information for auditing. Consult with private sector actors to collect their feedback and facilitate firm-level data collection. In line with bullet point 2, consider adopting data collection methods shared by others.

Recommendations and timeline

Table 2 presents targeted recommendations to improve data collection and collaboration in MSG countries. It lists essential activities with their respective priority levels and timelines, aiding policy development and fostering sustainable development in the region.



Table 2
Recommendations and timeline Action 2

Activity	Recommendations	Priority Level	Timeline
1. Review and enhance data collection systems	- Establish a robust national data collection system, focusing on key metrics and data sources.	High	Long-term
	- Identify relevant data supporting the analysis of the impact of policies on key benchmarks such as trade or the production of commodities.	High	Medium-term
	- Collaborate with existing platforms or systems to ensure efficient data collection and analysis.	Medium	Medium-term
2. Facilitate information exchange at the MSG level	- Set up a structured schedule for regular reporting among MSG policymakers.	High	Short-term
	- Ensure dissemination of regulatory information to support compliance with trade requirements.	High	Short-term
	- Promote a coordinated approach in data collection and improvement through regular dialogues and exchanges of data.	Medium	Long-term
3. Integrate technologies into data collection	- Incorporate advanced technologies to enhance existing data collection systems.	Medium	Long-term
	- Augment customs data system to include additional trade data focusing on relevant indicators, such as VSS.	Low	Long-term

Source: UNCTAD.



Actors and their role in data collection

Various key stakeholders play crucial roles in enhancing the data collection mechanisms nationally and in the region. Below are the distinct responsibilities of actors and their roles.

1. National governments (MSG member States)

- **Role:** Enhancing national data collection systems and facilitating policy development to promote green trade through collaboration with other member States for knowledge and best practice exchange.

2. MSG Secretariat

- **Role:** Facilitating collaboration and coordination between member States, offering a platform for information exchange and dialogue, and supporting the implementation of green trade initiatives within the MSG region.

3. International and regional organizations

- **UNCTAD - Role:** Managing and updating the TRAINS online database where NTM data is hosted, offering technical assistance and guidance in data collection and policy analysis, and collaborating with MSG member States to ensure the availability of up-to-date data for policy development.
- **SPC - Role:** Supporting data collection initiatives through platforms like the Pacific Data Hub, offering technical assistance for integrating technology in data collection processes, and collaborating with member States for capacity building and knowledge transfer in data collection and analysis.

4. Private sector representatives

- **Role:** Collaborating with government agencies in data collection and dissemination among business

communities, and facilitating dialogue between traders and government agencies for smoother trade processes.

Ongoing/planned activities and organizations to collaborate with (see details in Annex 2)

UNCTAD (IMPACT project - NTM data update), SPC (Pacific Data Hub), ESCAP (Policy and Data Integration tool).

c. Action 3: Policy coordination

Background

Melanesian countries, united by shared geographical and cultural ties, are perpetually adapting to the swiftly evolving legal landscape of global trade rules and environmental challenges. In this fast-paced environment, where the world's major economies implement changes that can profoundly affect other nations—especially smaller countries like the MSG member States—it is vitally important to unite forces by reinforcing policy coordination at the subregional level. This necessity is particularly pronounced when considering “outward” policies that influence areas such as sustainable development or international trade. Moreover, improving how policies are coordinated means ensuring that everyone, including women and youth, has access to opportunities and support, thus leaving no one behind.

In light of this, the national phase of the MSG Green Trade Project focused on enhancing policy coordination across ministries and national stakeholders. The activities undertaken at the national level revealed that the MSG member States encounter similar challenges in policy-making: limited resources and the need to adapt policies to a rapidly changing international environment. By pooling resources and coordinating policies, MSG member States can increase their efficiency while reinforcing

By pooling resources and coordinating policies, MSG member States can increase their efficiency while reinforcing their independence and adaptability.



their independence and adaptability. For instance, the policy recommendations that emerged from the national phase underlined the need to update several trade-related regulations. Appropriately updating these regulations, and therefore elevating safety and health standards based on the latest scientific knowledge, would bring about benefits such as improving sustainable growth and protecting the local population, including women and youth. National policy recommendations emphasise the importance of orientation towards international standards while considering the specific needs of individual countries when updating the regulations. Due to the similarities of the MSG member States, pooling resources in the design and update of regulations is efficient and supports regional coherence and thus competitiveness. These benefits can be achieved in many policy areas that go beyond the drafting of trade related regulations.

Furthermore, policy coordination is closely linked to Action 1. During the national workshops, participants mentioned the difficulties they encounter in responding to shifts in international policies that affect their economies. Collaborating on policies also provides an opportunity to exchange information about global and national developments. This might encompass discussions on new international treaties, changes in the policy frameworks of commercial partners, effective national policies, and coordinating a common position to enhance the influence of the MSG member States when engaging with partners. Collaborative action and coordination would undoubtedly bring advantages to the sub-region.

Objective

This action focuses on enhancing dialogue and coordinating positions to increase the effectiveness and influence of the MSG member States' strategies when they face common challenges and engage

with partners. The aim is to promote a collaborative approach to policy coordination that favours robust and sustainable growth in the region. It includes fostering a collective regional approach to trade-related issues and coordination of NTMs, ensuring their alignment with international standards where relevant.

Main actions

The strengthening of policy-dialogue and policy-coordination should build upon existing meetings, such as by being included in or alongside events of the TEOM. In these meetings, member States could discuss various policies, including on trade, and other topics critical to the region. Regular meetings could:

- a) Offer a closer look at rapid global changes while focusing on the specific needs and attributes of MSG countries.
- b) Identify areas where policy coordination or harmonization is needed, including new areas. One approach could be to review national legislation concerning products of interest to identify differences and areas for alignment. This process can facilitate regional trade and establish common standards by adopting closer adherence to international standards or to the regulations of major trade partners. Such efforts will enhance opportunities for all exporters and smallholders, as well as reinforce trade agreements like the MFTA which aims to promote sustainable and inclusive trade in the region.
- c) Identify areas where resource pooling would be beneficial. Developing common positions in these settings can make efficient use of limited resources, potentially by designating a single representative to voice the group's collective stance. A priority might be focusing on international standards affecting vital Pacific



products (such as CODEX) or significant international meetings, such as those concerning fisheries.

- d) Include sessions or approaches that involve all sectors of society, including women and youth, in the conversations to ensure that the policies developed are inclusive and beneficial to all.

Specific activities

1. Policy exchange group. To adapt swiftly to global changes, establishing a Regional Coordination Group is essential. This group, working alongside TEOM Meetings, will facilitate clearer understanding and a uniform application of trade rules across the member States. A lead coordinator from each country will help form the core of this group, which will also focus on involving the private sector, women and youth. A structured plan will be in place for regular meetings, physical or online, to foster steady dialogue and the sharing of the latest national policy developments.

2. Agenda setting. Creating a focused agenda is key to addressing important topics such as trade rules, market challenges, and CODEX standards. A discussion platform where States can share knowledge and strategies to navigate the current market landscape efficiently should be adopted, for instance in the framework of the policy exchange group. The agenda can focus initially on a narrow set of products, such as the four products covered by the MSG Green Trade Project, and their value chains, including by strengthening institutions along these value chains.

3. Standards coordination group. Keeping up with international standards and international policy developments is vital. Thus, having a group to discuss these standards will ensure a timely response to global legislative changes affecting export markets. This group will consist of specialized team members from each state who will exchange information on international standards regularly. This initiative aims to enhance the region's ability to align with global

norms through informed discussions and strategy developments.

4. Pacific Islands Forum coherence. Taking into account the broader Pacific Islands Forum agenda as well as the 2050 Strategy for the Blue Pacific Continent is important. This is the case at the policy level as well as at the substantive level such as in standard setting. The MSG countries shall also use their newly agreed policy dialogue and coordination to formulate their interests for the Pacific Islands Forum agenda.

Recommendations and timeline

Table 3 outlines recommendations to foster better cooperation among the Melanesian countries. It highlights key activities and actions along with their respective priority levels and timelines to facilitate seamless policy coordination and promote sustainable growth in the region.

Actors and their role in policy coordination

To bolster policy coordination and sustainable growth in the Melanesian region, a few key players collaborate closely. They range from government entities to specialized groups, each playing a unique role in fostering dialogue and building consensus on regional challenges. Here is a simplified outline of their roles:

1. National governments and policymakers (MSG member States)

- **Role:** Establish and lead policy discussion and standard coordination groups. Their task is to encourage a unified approach to trade-related issues, facilitate regular discussions on global changes, and represent the group's united stance in international forums.

2. Policy and standards coordination teams

- **Role:** Act as the core structure for policy alignment, quickly adapting to global changes. They create platforms for dialogue, helping in the uniform





Table 3
Recommendations and timeline Action 3

Activity	Recommendations	Priority Level	Timeline
1. Policy exchange group	- Establish a Regional Coordination Group to work in tandem with TEOM Meetings.	High	Short-term
	- Appoint lead coordinators from each member State to form the core team.	High	Short-term
	- Actively involve the private sector, women, and youth in dialogues.	High	Medium-term
	- Develop a structured plan for consistent meetings to share recent national policy developments.	Medium	Medium-term
2. Agenda setting	- Formulate a focused agenda addressing critical topics such as trade regulations, market challenges, and CODEX standards.	Medium	Medium-term
	- Establish a discussion platform within the policy exchange group to facilitate knowledge and strategy sharing among states.	Medium	Long-term
3. Standards coordination group	- Create a team to keep track of international standards and policy developments.	Medium	Medium-term
	- Encourage regular exchanges on global legislative changes affecting export markets.	Medium	Medium-term
	- Promote the alignment with global norms through informed discussions and strategic developments.	Low	Long-term
4. Pacific Islands Forum coherence	- Ensure coherence with broader agendas at the Pacific Islands Forum.	High	Short-term
	- Use the policy exchange group and policy dialogue to formulate common MSG countries' interests and strategies at regional and international forums including the Pacific Islands Forum.	Medium	Medium-term

Source: UNCTAD.

application of trade rules across member States and aligning with international norms through regular strategy planning.

3. Private sector and civil society, including women and youth

- **Role:** Actively participate in policy development processes. Their inclusion ensures that the policies developed are encompassing, catering to the diverse needs and perspectives of all community segments.

4. International and regional coordination teams

- **Role:** Collaborate with national entities and policy teams to create cohesive frameworks addressing regional issues. They assist in formulating focused agendas and facilitating knowledge

and strategy sharing among states, promoting a sustainable and inclusive trade environment in the region.

5. MSG Secretariat

- **Role:** Provide a platform for discussion, facilitate discussions, provide administrative support, provide or organize technical support.

This setup aims to foster a collaborative approach to policy coordination, encouraging robust and inclusive growth in the region.

Ongoing/planned activities and organizations to collaborate with (see details in Annex 2)

MSG TEOM, Regional Codex Committee, Pacific Islands Standards Committee.



3. Aligning the subregional action plan with existing trade and sustainable development strategies

The aim of the Subregional Action Plan is to define actions to strengthen the subregional multi-stakeholder partnership and to establish a mechanism for better coordination of national development strategies in order to strengthen the synergetic links between the promotion of green trade and sustainable development within the MSG region.

The region has been striving to increase green trade and sustainable development through frameworks such as the Melanesian Free Trade Agreement (MFTA) and the MSG 2038 Prosperity for All Plan. This chapter presents how the proposed actions align with and can further the objectives of these frameworks, thereby contributing to a more integrated and sustainable regional economy.

a. Links with the Melanesian Free Trade Agreement (MFTA)

The MFTA has been agreed upon by the Government of the Republic of Fiji, the Government of the Independent State of Papua New Guinea, the Government of the Solomon Islands, and the Government of the Republic of Vanuatu (together called “parties”). The parties’ aspiration toward green trade and sustainable development is reflected in the Preamble, Chapter 2 Trade in Goods, Chapter 6 Trade in Services and Chapter 8 Cross-border Investment. Moreover, it is noteworthy that the MFTA dedicates Chapter 11 to Environment and Sustainable Development. For example, the preamble states the conviction on “deeper economic integration ... to enhance economic development and uplift

the livelihoods of people in Melanesia.” Moreover, Chapter 11 has commitments to “acknowledging integration of trade investment and environment as means of sustainable economic development.”

The objectives of the agreement mentioned in Article 1.4 are to

(a) progressively liberalise and facilitate trade in goods among the Parties through, inter alia, progressive elimination of tariff and non-tariff barriers in substantially all trade in goods among the Parties; (b) ensure as far as possible that trade between the Parties takes place under conditions of fair competition and treatment; (c) establish a co-operative framework for the progressive strengthening, diversifying and enhancing trade, investment and economic links among the Parties; and (d) establish a framework for broadening and deepening of economic integration among the parties and the negotiation of further commitments on, inter alia, trade in services, labour mobility, cross-border investment, public procurement, intellectual property rights, competition policy, environmental sustainability and for the harmonious resolution of trade disputes.



The proposed Subregional Action Plan activities under the domains of capacity building, enhanced data collection, and policy coordination are linked to the overarching objectives of the MFTA:

(a) Progressive liberalisation and facilitation of trade

- **Action 1: Capacity building.**
Through capacity building, the region can address the barriers hindering progressive liberalisation. By fostering knowledge exchange, it promotes a fairer and more open trade environment, for instance contributing to increased knowledge about NTMs.
- **Action 2: Enhanced data collection**
Enhanced data collection mechanisms are instrumental in identifying existing trade barriers and providing the groundwork for strategies aimed at their reduction, thus facilitating a smoother trade process.

(b) Fair competition and treatment

- **Action 3: Policy coordination** is pivotal in fostering an environment of fair competition. By coordinating policies and regulations across member States, this coordination contributes to trade practices that are more harmonized, thus avoiding potential discrepancies that might lead to unfair advantages or treatment in the trade sector.

(c) Cooperative framework for strengthening economic links

- **Action 3: Policy coordination.**
Improved policy coordination can further promote a cooperative framework, facilitating better communication and collaboration between member States, which can in turn strengthen economic ties and encourage a more cohesive regional trade network.

- **Action 2: Enhanced data collection.**
Through the collection and sharing of pertinent data, member States can work collaboratively to address regional challenges and opportunities, thus fostering a cooperative framework that bolsters economic links.

(d) Broadening and deepening economic integration

- **Action 1: Capacity building.**
Capacity building initiatives can serve as a catalyst for broader economic integration by fostering competencies and infrastructural developments that are essential for a deepened economic interdependence among members.

In essence, the Subregional Action Plan is aligned with the overarching MFTA and has the potential to serve as a pragmatic step towards furthering the objectives of the MFTA. By fostering cooperation, knowledge exchange, and data collection, the actions can contribute to the establishment of a robust framework for trade and economic collaboration among the MSG member States.

b. Links with the MSG and national sustainable development strategies

The Subregional Action Plan aims to support the objectives outlined in the subregional sustainable development strategy: the MSG 2038 Prosperity for All Plan (2013). This aligns with the national SDS of the MSG member States, reinforcing sustainable development in the region. Specifically, it supports the milestones set in Fiji's 5-year and 20-year national development plans, Papua New Guinea's Development Strategic Plan 2010-2030, the National Development Strategy 2016 to 2035 of the Solomon Islands, and Vanuatu's People's Plan 2030.



By focusing on capacity building, policy coordination, and enhanced data collection, the Action Plan seeks to bolster the efforts of these nations and help them reach their targeted goals. The recommended actions are aligned with the twelve pillars of the MSG 2038 Prosperity for All Plan (see Annex 3), facilitating a harmonized approach towards sustainable development in the region.

Action 1: Capacity building is a recommendation that closely aligns with the priorities laid out in the MSG 2038 Prosperity for All Plan. The plan emphasizes the involvement and commitment of various stakeholders to forge a path towards substantial progress, as mentioned in **pillar four**. Through activities focused on capacity building, the MSG can work towards developing stronger infrastructures and competencies in the region. Collaborating with developmental partners such as United Nations agencies, including UNCTAD, as highlighted in **pillar twelve** of the plan, can further bolster these efforts, paving the way for an empowered and progressively growing region in the Pacific.

Action 2: Enhanced Data collection aligns perfectly with the MSG Plan's commitment to establishing common goals and core priorities based on identified challenges, as stated in **pillar two**. Implementing robust data collection systems would allow for a more precise identification of regional challenges and opportunities, thereby facilitating the creation of informed and targeted policies. Furthermore, leveraging the group's part-ownership in regional

agencies, as suggested in **pillar nine**, could foster greater collaboration and data resource sharing. This collaboration would enhance the efficiency and efficacy of the MSG Plan, providing a solid foundation for achieving the envisioned prosperity for all by 2038.

Action 3: Policy coordination is another crucial aspect that resonates well with the objectives of the MSG Plan, particularly where it encourages inter-governmental collaboration and enhanced regional integration. By focusing on a coordinated approach to policy coordination, the plan can effectively address regional challenges, fostering broader inclusivity in the Pacific, as indicated in **pillar ten**. Moreover, aligning developmental and humanitarian or security interests with major powers in the Pacific region, as depicted in **pillar eleven**, necessitates the formulation of coherent and synchronized policies. This alignment would significantly augment the impact and outreach of regional initiatives, promoting a unified and strong approach to achieving the plan's objectives.

Furthermore, the whole MSG Green Trade Project, including the Subregional Action Plan, was particularly aimed at supporting pillar five, strengthening subregional cooperation. This is mentioned under sub-sections 15.4.1 (ii) which focuses on the economy and which stresses the importance of improving transport linkages and infrastructure and (ix) which requires increased cooperation in trade related policies.

By focusing on capacity building, policy coordination, and enhanced data collection, the Action Plan seeks to bolster the efforts of MSG nations and help them reach their targeted goals.





4. The need for infrastructure development

Pacific islands face a set of challenges specific to their remoteness from main markets and their vulnerability to climate change, all while being dependent on trade. Bridging the infrastructure gap is vital to fostering sustainable development and promoting green trade.

Participants in the MSG Green Trade Project's second regional virtual workshop on 23 August 2023 underlined that the Pacific is grappling with a pronounced lack of infrastructure. This deficit can be categorized into four segments: value chain infrastructure, including cold chain systems and efficient storage facilities; quality control infrastructure, such as testing equipment; production infrastructure, for example farming equipment; and digital infrastructure, characterized by a small e-commerce market, low internet speeds, and limited cable connections. These limitations pose significant challenges to the seamless operation of trade activities and hinder the realization of sustainable and inclusive development in the region. According to ESCAP (2015) and the World Bank (2020), the four MSG member States rank in the lower half of Asia-Pacific countries concerning infrastructure quality and readiness for infrastructure investments.

A good infrastructure network can act as a catalyst in the promotion of green trade, facilitating efficient transportation, storage, and distribution of goods. This contributes to sustainable resource utilization, enhancing the competitiveness of the region. The current gaps in the infrastructure sector present a significant barrier to the development of the MSG countries, particularly affecting rural

communities, including women and youth, who encounter difficulties accessing markets due to low connectivity with main ports, inadequate links to markets, and challenges in maintaining the quality of their products until they reach final markets. Similarly, establishing sophisticated value chain infrastructures, such as cold chains, storage facilities and processing facilities, is vital for maintaining the quality and sustainability of perishable goods.

Moreover, quality infrastructure including well-equipped testing laboratories and trade measurements is pivotal in guaranteeing product safety and compliance with international standards, including VSS. These facilities facilitate the testing of products to ensure that they meet the necessary quality and safety benchmarks, a significant step towards increased market access.

Furthermore, enhancing digital infrastructure and connectivity will open up new opportunities for the region. The development of e-commerce and increased virtual connectivity between buyers and sellers represents a tremendous opportunity for producers of niche market produce in the Pacific. Accelerating the development of digital infrastructures would enable producers to seize and build upon this opportunity. (UNCTAD, 2022b).



Subregional Action Plan for Green Trade Promotion

Green trade for sustainable development in Pacific small island developing States of the Melanesian Spearhead Group

While the MSG Green Trade Project did not address these issues directly, it acknowledges that improvements to infrastructure are essential for the development of green trade and sustainable development. Recognizing the existing gaps and focusing on infrastructure development can serve as a springboard to achieving the envisioned sustainable and inclusive growth in the region. As the MSG member States move forward, a strategic approach towards

infrastructure development must be at the forefront, fostering a green trade ecosystem that is not only robust but also resilient and sustainable in the long run.

During the 16 and 17 October 2023 regional workshop in Port Vila, Vanuatu, participants underlined the importance of developing value chain infrastructure and quality assurance infrastructure in particular.



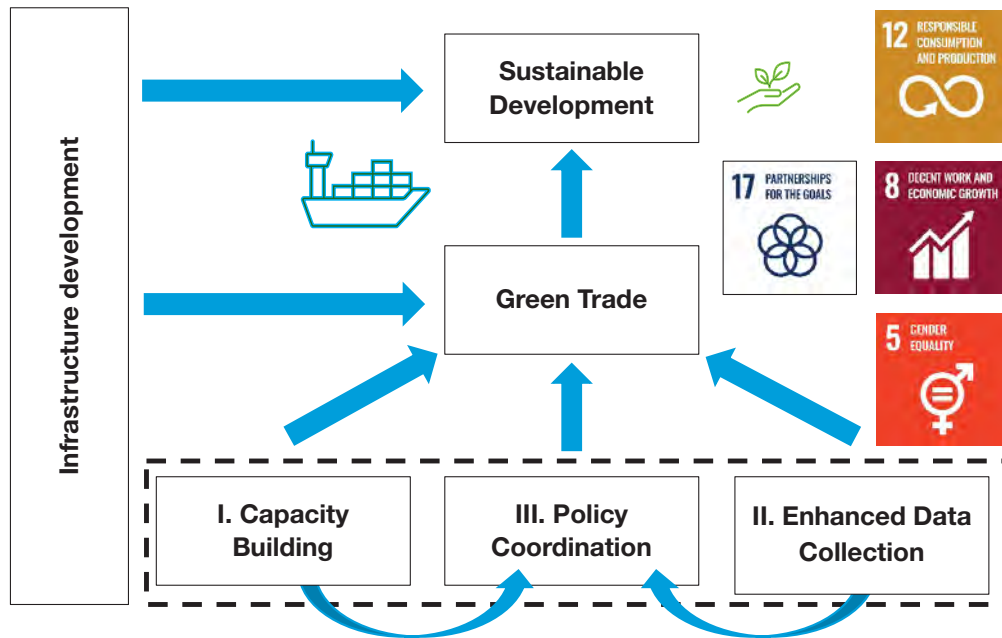
5. Proposal for an implementation mechanism

The preceding chapters of this report have outlined the Subregional Action Plan and explained how it can foster green trade and sustainable development as pictured in the MFTA and the MSG 2038 Prosperity for All Plan. This chapter proposes an implementation mechanism for the Subregional Action Plan. These actions are envisioned to work coherently, creating a strong foundation for sustainable progression in the region, a synergy succinctly represented in Figure 3.

Regional Implementation Group, reporting to the TEOM. This group would serve as the central nexus responsible for outlining precise implementation phases, monitoring the progression of the plan, and enhancing collaboration among the MSG member States. Supported by the MSG Secretariat, the Regional Implementation Group would be committed to facilitating regular reviews and assessments to gauge progress of the Subregional Action Plan and refine strategies when needed. The exact shape of this group will be defined by the MSG member States in due course.

In order to implement this Subregional Action Plan, UNCTAD proposed to create a

Figure 3
Actions and their impact on Green Trade and Sustainable Development



Source: UNCTAD.

6. Summary and conclusion

This Subregional Action Plan proposes a pathway towards enhancing green trade and sustainable development in the MSG region. Drawing significantly from the national outputs garnered during the MSG Green Trade Project, this plan articulates three fundamental Actions vital to fostering economic stability and inclusivity in the region: capacity building, data collection, and policy coordination.

Action 1: Capacity building

Action 1 emphasizes the critical role of capacity building in fostering a knowledgeable base capable of adeptly promoting green trade. It seeks to facilitate a balanced and open trade environment where barriers are systematically identified and mitigated, paving the way for smoother and more progressive trade processes. Moreover, relevant capacity building extends beyond trade. MSG countries may be able to leverage other related resources to help strengthen capacity in both the public and private sectors.

Action 2: Enhanced data collection

Action 2 highlights the imperative nature of advancing data collection, a facet emphasized by numerous stakeholders throughout the process. Effective data collection serves not only as a foundation for informed policy making and implementation but also as a tool to enhance trade, development, and inclusivity.

Action 3: Policy coordination

Action 3 underscores the necessity of coordinating policies and regulations across member States, while fostering a culture of sharing best practices in policy

making. This initiative is not confined to enhancing regional trade but also encompasses the development of policies aimed at safeguarding the population, environment, and the wellbeing of MSG citizens. Coordination in this arena promises to benefit the entire region.

Furthermore, the Subregional Action Plan is committed to promoting inclusiveness and adhering to the principle of leaving no one behind. It embodies an approach whereby sustainable development harmonizes with economic growth, ensuring that the resulting benefits are equitably distributed across all sectors of society.

As the MSG Green Trade Project draws to a close, it beckons the member States and the MSG Secretariat to build upon the valuable insights gleaned and progress achieved during the project. An important proposition within this Subregional Action Plan is the establishment of a Regional Implementation Group. This body is anticipated to serve as the central entity responsible for delineating implementation phases, monitoring the steady progression of the plan, and fostering collaboration among the MSG member States. Moving forward, the proactive engagement and strategic initiatives of the MSG member States and the MSG Secretariat will be decisive. Their concerted efforts in the upcoming period are vital in steering the region towards robust economic collaboration and sustainable growth. By undertaking these actions, MSG member States will strengthen synergistic linkages at the regional level, and develop a region where no one is left behind.

The current report was validated by MSG member States representatives and the MSG secretariat at the MSG Green Trade Project Regional Workshop held in Port Vila, Vanuatu on 16 and 17 October 2023.



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Annex 1: Overview of national activities from Phase 1

Phase 1, the national phase of the MSG Green Trade project, took place between early 2022 and mid-2023. Supported by a team of national consultants and closely coordinated with national governments, UNCTAD conducted activities in each MSG member State.

The activities conducted in each of the four countries were similar, with minor variations. These activities included organizing an initial national workshop to launch the project and raise awareness; collecting data on NTMs; assessing VSS for the nationally selected commodity; preparing an export guide for the same product; identifying synergistic linkages between green trade and the NDSs; and holding workshops in each country to present the outcomes and gather feedback. The data collected on NTMs is available through TRAINS. The reports on VSS and synergistic linkages, together with the export guides, will be accessible on the project's website.¹⁰

This annex (or section) summarises the findings and recommendations from the national activities carried out in Phase 1. These results laid the foundation for the development of the Subregional Action Plan.

a. Fiji

In Fiji, the NTM data collection has been undertaken from mid-2022 to early 2023. It covers legislation in place up to the end of 2021. The NTM data collection has uncovered that 79 regulations introduced NTMs and, from these, 388 NTMs have been identified. The data has been

published in Q3 2023 and is available on the UNCTAD TRAINS database.¹¹

The national product selected for Fiji in the framework of the MSG Green Trade project was ginger. Ginger was selected because its production has risen in the last years, following the expansion of the ginger value-chain in Fiji. Accordingly, a VSS assessment report on ginger and an export guide on ginger have been written. The assessment involved an online survey that sought to understand the challenges and opportunities faced by stakeholders in the ginger value chain.

The Fiji national synergistic linkages report was drafted based on the findings from the national activity and feedback from the national workshop. The report concludes with several policy recommendations: Firstly, it underscores the importance of enhancing training and knowledge sharing regarding NTMs and VSS to streamline trade processes. Secondly, it suggests refining data collection practices and increasing the accessibility of agricultural statistics to aid decision-making in both the government and private sector. Lastly, the report recommends revising and updating trade-related legislations to better fit the current economic context and facilitate the growth of emerging sectors.

The Fiji national workshop was held on 12-13 June 2023 in Suva, providing an opportunity to present the work, gather feedback, and finalize the activities related to Fiji.

¹⁰ <https://unctad.org/project/green-trade-sustainable-development-pacific-small-island-developing-states-melanesian>

¹¹ <https://trainsonline.unctad.org/home>



b. Papua New Guinea

In Papua New Guinea, the NTM data collection has been undertaken from early-2022 to mid-2023. It covers legislation in place until the end of 2021. The NTM data collection has uncovered that there were 195 regulations that introduced NTMs and, from them, 795 NTMs have been identified. The data has been published in Q4 2023 and is available on the UNCTAD TRAINS database.

The national product selected in Papua New Guinea was vanilla. Vanilla is an important product and represents a side income for many farmers across Papua New Guinea. Its high value, for a small weight, makes it an interesting product, especially for farmers who are remote from infrastructures as they can get their product to international markets. The reports prepared on vanilla include the “VSS guidebook for vanilla in Papua New Guinea” (2024a) and the “Papua New Guinea vanilla export guide” (2023b). The government, supported by UNCTAD, conducted a field survey and interviews to understand the opportunities and challenges posed by VSS.

The Papua New Guinea national synergistic linkages report concludes with key policy recommendations. Firstly, it suggests systematically publishing trade-related regulations by reviewing and unifying each Ministry’s publication system and agreeing on a centralized format. Secondly, it recommends incorporating the, yet to be finalized, CODEX Alimentarius Standard for vanilla into the Food Sanitation Regulation. This involves reviewing current regulations, consulting stakeholders, drafting and seeking approval for amendments, and identifying compliance gaps. Once approved, the revised regulation and Spice Board Act amendments should be implemented with the establishment of a monitoring mechanism.

Further activities involved holding two national workshops. The first one was held

on 31 May 2022. The first workshop allowed to present the activities and ask for the support of stakeholders in the project. The second national workshop was held on 22-23 June 2023 in Port Moresby. It allowed the project to validate the national reports and the government to plan a way forward to build on the achievements of this project.

c. Solomon Islands

In the Solomon Islands, the NTM data collection occurred from mid-2022 to mid-2023, revealing that 64 regulations introduced NTMs, both principal and subsidiary, resulting in the identification and classification of 388 NTMs. This data was made available in Q3 2023 on the UNCTAD TRAINS database.

Kava was selected as the national product due to its commercial potential to sustain farmers’ livelihoods, despite being a relatively new product in the Solomon Islands. A field survey conducted in Q3 2022 explored the challenges faced by actors across the kava value chain. It supported the writing of a VSS assessment report on kava. Furthermore, contact with exporters and actors across the value chain was used to write an export guide on kava.

The Solomon Islands national synergistic linkages report concludes with the following policy recommendations: Firstly, revising the Pure Food (Food Control) Regulations to include the CODEX Alimentarius Standard for Kava Products for use as a beverage when mixed with water to ensure quality and boost buyer confidence; secondly, developing Good Agriculture Practices (GAP) to support the National Kava Policy and the Agriculture Sector Growth Strategy and Investment Plan 2021-2030; and thirdly, publishing trade-related regulations more systematically.

Two national workshops were held, the first on 30 June 2022 and the second on 19-20 June 2023, facilitating discussions and validations of the national reports. Both



workshops presented an opportunity for various actors across the kava value chain to exchange their views on ways forward to support the development of the industry, which is still in a nascent stage.

d. Vanuatu

In Vanuatu, the NTM data collection spanned from mid-2022 to early-2023, uncovering 73 regulations which introduced NTMs, leading to the identification and classification of 276 NTMs. The data has been published in Q3 2023 and is available on the UNCTAD TRAINS database.

Virgin coconut oil was chosen as the national product for Vanuatu. Coconut is crucial for farmers' livelihoods but has seen a decline in the past decade in its share of national exports, whether as copra or as coconut oil. The "assessment of organic certification in the coconut oil value chain in Vanuatu" (2020) undertaken under the previous project mapped the state of the country's uptake of organic certification. Additionally, the "Vanuatu virgin coconut oil export guide" (2023a) was created to support exporters find markets abroad for their products.

The "National Synergistic Linkages Between Green Trade and Sustainable Development – VANUATU" (2024b) recommends the following policies: Firstly, revising the Food Act to include the CODEX Alimentarius Standard for Named Vegetable Oils; secondly, aligning the GAP code with international standards and promoting VSS adoption; and thirdly, systematically publishing trade-related regulations.

Vanuatu hosted two workshops as part of the project: the first national workshop was held on 3 August 2022 and the second one on 8-9 June 2023. Both workshops served as platforms to present the findings and gather feedback from stakeholders.

e. Future activities and next steps

While the MSG Green Trade Project was completed at the end of 2023, Fiji, Papua New Guinea, Solomon Islands, and Vanuatu have each identified the specific "next steps" needed to continue developing the value chain for their selected product. Annex 4 lists these current needs, as identified and articulated by the stakeholders in each of the countries.



Annex 2: Organizations and programmes in the Pacific

Table 4
Organizations and programmes in the Pacific

Organization	Existing programme in the Pacific	Website
Pacific Community (SPC)	- SAFE Pacific project - Pacific Data Hub - PoetCom	https://www.spc.int/ https://ird.spc.int/projects/safe-pacific https://pacificdata.org/ https://www.organicpasifika.com/poetcom/
Pacific Island Forum (PIFS)	- SPRIT - PQI	https://www.forumsec.org/ https://www.standards.org.au/engagement-events/international/pacific-quality-infrastructure-initiative#:~:text=As%20an%20implementing%20partner%20under,to%20benchmark%20current%20standards%20activities
PACER Plus		https://pacerplus.org/
PHAMA Plus		https://phamaplus.com.au/
UNCTAD	- MSG Green Trade project - IMPACT project - PDEP	https://unctad.org/ https://unctad.org/project/green-trade-sustainable-development-pacific-small-island-developing-states-melanesian https://unctad.org/topic/ecommerce-and-digital-economy/pacific-digital-economy-programme
UNIDO		https://www.unido.org/who-we-are-unido-worldwide/asia-and-pacific
FAO		https://www.fao.org/asiapacific/programmes-and-projects/es/
World Bank		https://www.worldbank.org/en/country/pacificislands
World Trade Organization (WTO)		World Trade Organization - Home page - Global trade (wto.org)
ESCAP	Policy and Data Integration	https://www.unescap.org/subregional-office/pacific https://www.unescap.org/subregional-office/pacific/datastats

Source: UNCTAD.

Annex 3: The twelve pillars of the MSG 2038 Prosperity for All Plan

Pillar One:	Lessons and Challenges drawn from the Strategy of the first 25 years;
Pillar Two:	Resulting common goals and core priorities on basis of challenges;
Pillar Three:	There is still the question of the inter-governmental nature of the MSG;
Pillar Four:	The commitments of all stakeholders for the leap into history;
Pillar Five:	Strengthening EMSGSR subregional cooperation;
Pillar Six:	Consideration of provisions of EMSGSR subregional services;
Pillar Seven:	Consideration of further EMSGSR subregional integration;
Pillar Eight:	EMSGSR is supportive of growth of subregionalism in Pacific regionalism;
Pillar Nine:	EMSGSR proposes to leverage its members' part-ownership of the CROP and other regional agencies to render benefits to its member states and institutional strengthening to the agencies concerned;
Pillar Ten:	EMSGSR is to reach out to the rest of the Pacific as an extension of its Melanesian inclusiveness;
Pillar Eleven:	EMSGSR is to optimize its developmental and humanitarian/security interests in the Pacific Region, thus aligning with those of Australia and New Zealand and other metropolitan powers; and
Pillar Twelve:	EMSGSR is to be strategically integrated into the wider region and global economy; as well as work strategically with other developmental partners (UN Agencies) on specific issues.

Source: Based on MSG (2013).



Annex 4: Country specific needs and future activities

This annex lists the country specific needs provided directly by the MSG member States following their request at the third regional workshop, held on 16 and 17 October 2023 in Port Vila, Vanuatu.

Fiji:

- **Develop Ginger Commodity Plan:** The Ministry of Agriculture and Waterways should develop policy on ginger.
- **Research and Development:** Extensive research needs to be done in terms of high quality planting materials to be provided to farmers and effectiveness on the control of pests and diseases.
- **Food Safety Standards:** The implementations of the Codex food quality and safety standards can help protect Fiji from unfair international trade practices. Provide training to farmers and exporters to comply with international standards.
- **Infrastructure Support:** Upgrade of farm access roads, processing plants and storage facilities.
- **Mechanisation:** The Ministry of Agriculture and Waterways should provide assistance in terms of the required machinery and technologies required in value addition and agro-processing in order to fully adapt commercialisation.
- **Market Access:** Establish export plans to ensure ease of access for goods to enter other importing countries. Negotiations to be put in place to ease market access.
- **Access to Finance:** Easing of finance availability to farmers and Micro, Small and Medium Enterprises (MSME's) who wish to enter into value added agriculture (ginger).

Papua New Guinea:

- **Training:** Increase training of vanilla farmers to help them comply with international standards.
- **National Policy and Legislation:** Develop the National Spice Policy and Review the current Spice Act of 1989, as vanilla is not included in the current Act.
- **Processing Plants:** Build vanilla processing plants in each the four (4) regions of the country, to facilitate export of vanilla products.
- **Trade Facilitation:** Develop the trade facilitating institutions and strengthen the National Agriculture Research Institute, etc. to be able to facilitate the flow of vanilla trade.
- **Infrastructure:** Build relevant infrastructure.



Solomon Islands:

- **Laboratory Upgrade:**

Address the lack of testing and processing facilities.

Strengthen analytical laboratory (National Public Health Laboratory) to conduct relevant chemical analysis of kava according to importer's standards and specifications.

- **Proper Facilities:**

Address the lack of testing and processing facilities.

- **Technical Capacity building for Stakeholders:**

Provide short term training sessions, workshops and seminars in the kava sector.

- **Training Activities for Farmers, Producers and Exports:**

Provide training to kava farmers on better planting method, good management, processing, drying and other post-harvest treatments

Provide relevant training and awareness-building activities for kava farmers, producers and exporters (based on needs; for example, how to comply with international standards, improve kava quality in terms of post harvesting- better planting methods, good management, processing and drying. This is in addition to pre-processing requirements.

- **Awareness**

Build awareness among farmers and exporters on how to comply with international standards.

- **Marketing**

Support kava processors and exporters in marketing kava products, especially to international markets.

- **Research:**

Research noble kava varieties and document them.

- **Infrastructure improvements:**

Any general improvements to infrastructure, such as improving the condition of roads, will help improve the logistics of kava processing and exporting.

- **Funding:**

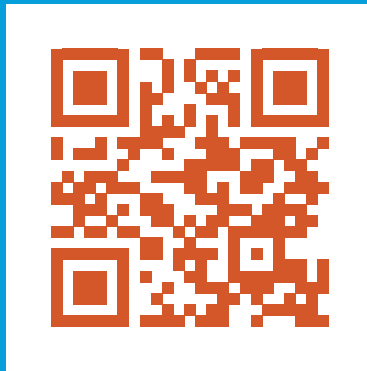
Make funds available to kava industry.



Vanuatu:

- Develop a national standard for virgin coconut oil
- Develop a strategy (or plan) for coconut value addition
- Develop export plans that specifically address market access issues, both internationally and domestically, for coconut oil
- Prioritise providing urgent support for the potential coconut manufacturers with processing facilities and machineries
- Develop and provide training sessions to upskill coconut oil producers in processing techniques and how to provide business documentation
- Establish a coconut oil millers' Association so as to ensure that domestic supply is consistent and that all farmers and exporters comply with all standards requirements
- Provide assistance to improve packaging and meet labelling requirements
- Facilitate financial assistance to support the coconut oil producers (MSMEs)





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