



Pacific SIDS

SCALING PUBLIC AND PRIVATE
INVESTMENT FOR RESILIENT
AGRIFOOD SYSTEMS ACROSS THE
BLUE PACIFIC

HAND-IN-HAND INVESTMENT FORUM
ROME, OCTOBER 2026



An ocean of diversity and opportunities

ACROSS THE BLUE PACIFIC, AGRIFOOD SYSTEMS SUSTAIN LIVELIHOODS, CULTURE AND FOOD SECURITY – YET REMOTENESS AND CLIMATE EXPOSURE RAISE COSTS.

A coordinated regional investment programme can convert rich marine resources, biodiversity and traditional knowledge into resilient value chains, healthier diets and stronger island economies.



What holds Pacific Agrifood Systems back?

Low productivity

Remoteness, scarce arable land, pests and diseases, and limited access to quality inputs constrain reliable production.

Limited value addition

Thin processing, storage, cold-chain and transport networks increase losses and food import dependence.

Climate vulnerability

Climate shocks amplify price volatility and threaten livelihoods and nutrition.

What could change?

THE PSIP CAN TURN SHARED REGIONAL PRIORITIES INTO COORDINATED, BANKABLE INVESTMENTS

PSIP Pacific SIDS Investment Programme

USD 4.6 B

Regional + country delivery

BASED ON 12 COUNTRY MISSIONS

140+ STAKEHOLDERS ACROSS THE REGION
ENGAGED

Six investment pillars direct capital across the system

Enabling policies & institutions

Innovation & scale-up

Agricultural services & market linkages

Sustainable coastal solutions

Nutrition & healthy diets

Agrifood infrastructure

Timeline: 2025- 2040, 3 phases

Phase 1: 2025 – 2030 → **HIH investments**

Phase 2: 2030- 2035

Phase 3: 2035 - 2040

Why invest in Pacific Agrifood Systems?



Unique natural assets

Well-preserved marine and terrestrial resources support differentiated, premium products.

Strong Regional Organizations

PIFS, SPC and other regional bodies provide policy coordination, expertise and capacity.

Policy incentives

Duty exemptions, tax incentives and investment zones can improve project economics.

Market Access

Preferential agreements and strong links to Australia, New Zealand and the United States open growth markets.

Digital connectivity

New fibre-optic infrastructure can reduce transaction costs and connect remote producers.

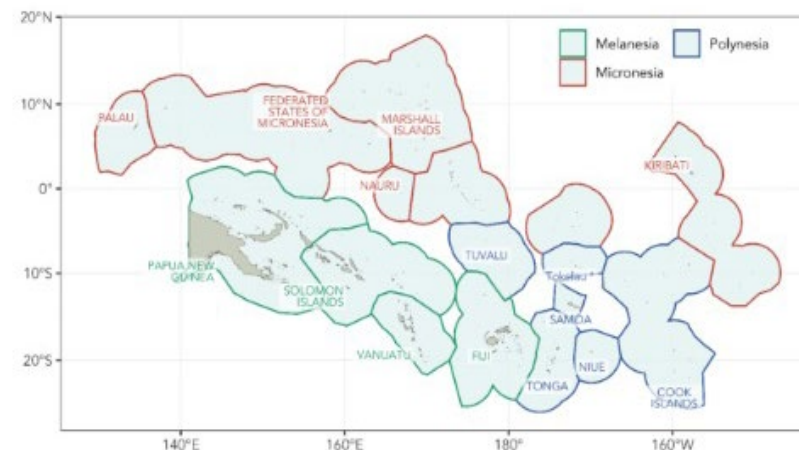
Safe, Cohesive Environment

Regional cooperation through PIF and SPC provides policy advice and capacity-building, underpinned by general political stability.

Where to invest?

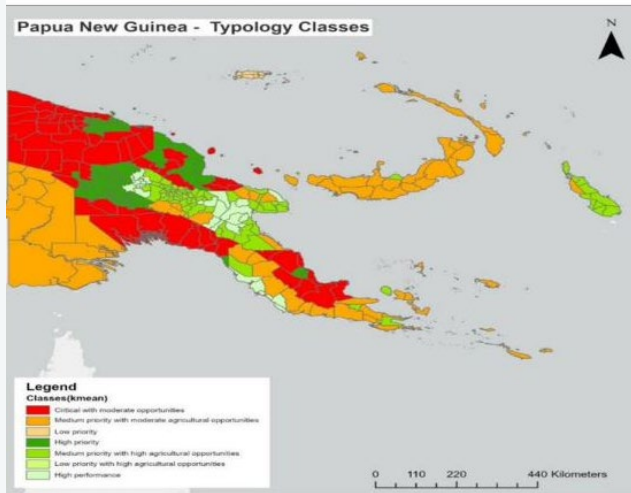
SUB-NATIONAL
DATA AND
COUNTRY
PRIORITIES WILL
GUIDE
INVESTMENT
ACROSS
MELANESIA,
MICRONESIA AND
POLYNESIA.

The programme combines regional platforms with country-specific investments, matching each island context to the right production, processing, infrastructure and market-access solution.

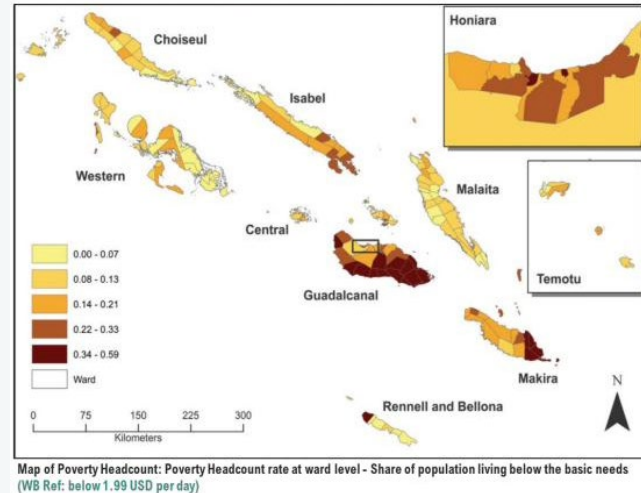


The FAO Investment Centre led a **multidisciplinary team of over 30 national and international experts** to engage with national stakeholders, assess challenges and opportunities, and identify country priorities for transformative investments in food and agriculture.

How do we know where to target investments?



Papua New Guinea — typology of regions



Solomon Islands — poverty headcount rate

SUB-NATIONAL DATA IS USED TO BUILD TYPOLOGIES OF REGIONS AND POVERTY, TAILORING PRIORITIES FOR TRANSFORMATIVE INVESTMENT IN FOOD AND AGRICULTURE.

Investments are targeted to address the specific challenges of each territory — maximizing impact per dollar invested.

-  Critical, high need
-  High priority
-  Medium priority, high potential
-  High performance

Example: Papua New Guinea and Solomon Islands

FAO's geospatial platform helps identify where agricultural potential is greatest — combining typology classes, poverty headcounts and production data at ward and district level.

Where is capital needed first?

The Regional Pacific H1H focuses on
THREE STRATEGIC INVESTMENT PRIORITIES

Production Enhancement

to strengthen
production

Market access to unlock markets

Value Addition to capture value

Why Invest in Production Enhancement?

What limits productivity?

Per capita coastal fish supply declined substantially across Pacific SIDS between 2007–2021.

Crop pest outbreaks

Pest outbreaks, including the coconut rhino beetle, threaten crop production, while farmers lack disease-free planting material and clear IPM protocols.

Weak fisheries governance and data

Community governance of locally managed marine areas is weakening, and PSIDS have a near-total absence of fisher registries, catch reporting and safety-at-sea systems.

Coastal habitat degradation

Reef and mangrove degradation is reducing fish habitat and productivity, compounding the decline in coastal fish supply.

Production Enhancement Investments

Biosecurity & Pest Management

USD 22.2M **21.4%**
Investment IRR

Rebuilding Coastal Fisheries

USD 44M **105,000**
Investment Beneficiaries

HEALTHY CROPS AND RESILIENT COASTAL FISHERIES, BUILT TOGETHER

Regional nurseries for disease-resistant varieties, tissue-culture labs and integrated pest management restore crop productivity and reduce uncertainty for farmers facing pest outbreaks like the coconut rhino beetle.

Stronger community governance, reef and mangrove restoration, and new digital fishery registries and safety-at-sea systems rebuild coastal fisheries, an essential local source of nutrition.



Why Invest in Market Access?

What blocks access to premium markets?

PSIDS have the lowest implementation of digital trade facilitation measures of any Asia-Pacific subregion.

Source: UNESCAP

Fragmented data and registries

Many value chains lack interoperable farmer and fisher registries, crop and catch reporting, and trusted market information.

Certification and compliance gaps

Limited SPS, organic, HACCP, ESG and EU CATCH capacity blocks access to demanding retail and institutional buyers.

Traceability and digital trade barriers

Weak e-monitoring, provenance and digital trade systems keep Pacific products competing as undifferentiated bulk commodities.

Market Access Investments

USD 137.4 M

Investment

A SHARED DIGITAL, CERTIFICATION AND MARKET-INFORMATION BACKBONE THAT UNLOCK PREMIUM MARKETS FOR EVERY VALUE CHAIN.

Shared regional digital infrastructure and IT platforms, producer and fisher/farmer registries, and e-monitoring and market-information systems knit certification and traceability into every priority value chain — backed by capacity building for extension staff, processors, farmers and fishers.

Compliance deadlines — the EU Deforestation Regulation (2025), EU CATCH (2026) and Walmart's ESG mandates — are turning market access from voluntary to mandatory, rewarding early movers.

Digital trade facilitation alone could cut trade costs by 2.5–17.9% across Pacific SIDS (UNESCAP), while certification and geographic indication unlock access to new, premium markets.

Why Invest in Value Addition?

What limits value capture across Pacific value chains?

Limited pack-house, cold-chain, storage and landing infrastructure constrain market access and local value capture.

Coconut and Taro

Coconut is sold raw as bulk copra, and taro moves largely unprocessed – both lack the pack-house and cold-chain capacity to reach export markets.

Tuna

Tuna is transshipped and processed overseas, leaving little value captured onshore despite the region's rich tuna stocks.

Coastal Fishery

Limited cold storage and landing infrastructure drive high post-harvest losses and low market prices for coastal fisheries.

Value Addition Investments

Coconut

USD 39.1M 26.6% IRR

Taro

USD 14.4M 28.8% IRR

Tuna

USD 62.6M 20.6% IRR

Coastal Fishery

USD 108.0M 34.6% IRR



FROM RAW EXPORTS TO PREMIUM PRODUCTS

For crops, coconut moves from bulk copra to certified virgin oil, and taro from raw tubers to packaged, HACCP-certified flour and frozen products — both capturing far more value onshore than raw exports ever could.

For fishery, tuna shifts from transshipment to nationally owned loin-processing and cold chain built to EU and US import standards, while nearshore fish aggregating devices and community aquaculture ease pressure on reefs and build steady domestic supply for coastal fisheries.



What impact can these investments deliver?

BUILDING A MORE PRODUCTIVE, COMPETITIVE AND CLIMATE-RESILIENT PACIFIC AGRIFOOD ECONOMY

USD 1.05 B

total investment

26.1%

overall IRR

62,900

direct beneficiaries

314,500

indirect beneficiaries

32.03M

GHG potential (tCO₂-e/year)

1. Production Enhancement

Biosecurity & Pest Management

COST **USD 22.2M** IRR **21.4%**

NPV **USD 8.8M** INCOME/CAPITA **USD 1,818**

BENEFICIARIES **~243,900**

Rebuilding Coastal Fisheries

COST **USD 44M** BENEFICIARIES **105,000**

Up to 2,000 ha mangrove and 100 ha coral reef restoration for coastal fishery rejuvenation.

2. Market Access

Digitalization, Certification & Compliance

COST **USD 137.4M**

BENEFICIARIES **All value-chain participants**

Opens export and niche market opportunities across the coconut, taro and fishery value chains.

3. Value Addition

Coconut

COST **USD 39.1M** IRR **26.6%**

INCOME/PC **USD 2,460** BENEF. **181,800**

Taro

COST **USD 14.4M** IRR **28.8%**

INCOME/PC **USD 3,230** BENEF. **90,600**

Tuna

COST **USD 62.6M** IRR **20.6%**

INCOME/PC **USD 2,605** BENEF. **105,000**

Coastal Fishery

COST **USD 108.0M** IRR **34.6%**

INCOME/PC **USD 2,270** BENEF. **105,000**

Investments in critical infrastructure: USD 576.9 M

~1,000 km all-weather and ~18,000 km last-mile farm link roads

What will success look like?

A PRODUCTIVE, FOOD-SECURE AND CLIMATE-RESILIENT BLUE PACIFIC



Productive rural economies

Priority investments target 62,900 direct and 314,500 indirect beneficiaries.



Stronger local food supply

Expanded taro and coastal fish supply can reduce dependence on imported processed food.



Climate resilience

Selected value-chain investments are projected to avoid about 1.44 million tCO₂-e.



Jobs and inclusive incomes

Taro, tuna and coastal fisheries cases can create more than 15,000 full-time jobs.



Premium market access

Traceability, certification and quality systems can unlock higher-value buyers and trade.

