Developing the Organic Agriculture Sub-Sector in Samoa

Prepared for the Ministry of Agriculture and Fisheries, Samoa
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Acknowledgments

This report was prepared as part of a World Bank Technical Assistance to support the Government of Samoa in identifying measures to strengthen agriculture sector institutions, to improve the performance of selected commodities (including fruit and vegetables, livestock and organic products) and to identify strategic agriculture infrastructure investments. The Technical Assistance commenced in February, 2010 and preliminary draft reports were shared with Government in November, 2010. The analysis and findings of the TA have served as inputs into the development of the Agriculture, Fisheries and Forestry Sector Plan 2010/11-2015/16 for Samoa (February, 2011) and the preparation of the proposed Samoa Agriculture Competitiveness Enhancement Project (SACEP). During the TA process, a number of consultations were held in Apia with sector stakeholders including workshops in April, 2010 and August, 2010.

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## Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CIF</td>
<td>Cost Insurance Freight</td>
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<td>ETI</td>
<td>Ethical Trading Initiative</td>
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<td>EU</td>
<td>European Union</td>
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<td>FAO</td>
<td>Food and Agriculture Organization</td>
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<td>FLO</td>
<td>Fair Trade Labeling Organization</td>
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<td>FOB</td>
<td>Free On Board</td>
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<td>GI</td>
<td>Geographical Indications</td>
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<td>GoS</td>
<td>Government of Samoa</td>
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<tr>
<td>HACCP</td>
<td>Hazards Analysis and Critical Control Points</td>
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<td>HTFA</td>
<td>High Temperature Forced Air</td>
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<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>IMO</td>
<td>Institute for Market Ecology</td>
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<tr>
<td>MAF</td>
<td>Ministry of Agriculture and Fisheries</td>
</tr>
<tr>
<td>MNREM</td>
<td>Ministry of Natural Resources, Environment and Meteorology</td>
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<tr>
<td>NGO</td>
<td>Non Government Organization</td>
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<tr>
<td>RP</td>
<td>Responsible Purchasing</td>
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<tr>
<td>SACEP</td>
<td>Samoa Agriculture Competitiveness Enhancement Project</td>
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<tr>
<td>SAI</td>
<td>Social Accountability International</td>
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<tr>
<td>SAME</td>
<td>Samoa Association of Manufacturers and Exporters</td>
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<tr>
<td>SBEC</td>
<td>Small Business Enterprise Centre</td>
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<tr>
<td>SDS</td>
<td>Sector Development Strategy</td>
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<tr>
<td>SWOT</td>
<td>Strengths, Weaknesses, Opportunities, and Threats</td>
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<tr>
<td>VCO</td>
<td>Virgin Coconut Oil</td>
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<tr>
<td>WFTO</td>
<td>World Fair Trade Organization</td>
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<tr>
<td>WIBDI</td>
<td>Women in Business Development Inc.</td>
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Executive Summary

i. The World Bank has provided technical assistance support to the Government of Samoa to help identify measures to strengthen agriculture sector institutions, to improve the performance of selected commodities - including livestock, fruits and vegetables and organic products - and to identify strategic agriculture infrastructure investments. This report provides information and analysis on opportunities for further development of organic products. The report also contains recommendations for activities that could be potentially supported as part of the proposed Samoa Agriculture Competitiveness Enhancement Project (SACEP).

ii. The traditional farming system in Samoa is basically a traditional organic production system i.e. it relies solely on local resources, natural regeneration of soils, diversity, traditional natural remedies for pests, manual weeding and rather low labor input. Certified market orientated organic farming was started in Samoa in 1994. Cocoa, lime, coconut, banana, mango, pineapple, pawpaw and ginger was planted in the Malaeafono organic plantation. Somewhat later the NGO Women in Business Development Inc (WIBDI) chose organic farming as its main market development strategy. In August 2006, a National Organic Advisory Committee was constituted under the chairmanship of the Prime Minister to promote the development of organic farming in Samoa. Today all organic activities are coordinated by WIBDI, who work with around a thousand farmers, of which 350 are certified. About 19,000 hectares of farm land is certified organic. The certified farms and small-scale virgin coconut oil processors generated about WST 200,000 in exports in 2009. The domestic market is still very small with limited demand from the hospitality sector.

iii. While there are many other schemes operating for certified products - organic products in combination with Fair Trade - are likely to continue to be the most important for Samoa over the next few years. This TA has identified a number of interventions to support further development of Samoan organic products. These include:

   a. Promoting domestic-oriented organic production targeted at the hospitality industry: This could include support for the development of an organic mark and related promotional activities and materials. Initiatives would target hotels and restaurants and could include development of promotional materials (such as production of the Samoan Organic Cookbook) to educate customers; development of on-farm tours for tourists; and development of an Organic Samoa website. A simplified “certification” system for the local market is essential. Support could be provided to local organic producers, traders and retailers to assist with certification, labeling and packaging. Activities would ideally be coordinated with the weekly organic market and the existing basket scheme, both of which could be further expanded. An annual organic event could form a platform for interaction with stakeholders, reaching out to media and the public, launching new initiatives and reporting back on results.

   b. Support for up-grading and expanding existing value chains for export-oriented products including Misiluki bananas, coconut oil and products made from coconut oil. The level of support would need to be based on a careful analysis of market opportunities and financial viability. There may also be potential for some new organic products including fresh coconut, dried fruit, fresh eggplant, papaya and taro leaves. However, overall export market prospects
are not as promising as competition is fierce. Stringent quality and quarantine requirements (for fresh produce) in the closest markets are large obstacles.

c. For both domestic and export markets, organic production could be encouraged through farmer-to-farmer exchange and other participatory methods along with piloting field trials of new methods (e.g. green manure crops), inputs (e.g. biological control) and varieties (especially vegetables). Building advisory capacity will be essential for successfully scaling up production.

d. Investments in improved technology (for example, for virgin coconut oil extraction), better facilities, trial processing, and trial shipments to new destinations could be encouraged through a combination of demand-driven bank loans, matching-grants and farmer contributions. Support would also be required for market research and undertaking market surveys for identified crops. Initially support for certification may be warranted and some assistance could be provided to facilitate participation of Samoan exporters in selected trade fairs or trade missions.

e. There is a need to improve access to standards and certification services and to increase the capacity of actors in the value chain to understand and comply with standards and certification requirements. These activities should link closely with existing developments in the Pacific with the Secretariat of the Pacific Community (SPC) and POETCom\(^1\). The current certification provided from Australia works fairly well, although it is not geared to providing certification for the local market. Alternatives for future certification service delivery need to be explored.

\(^1\) Projects supported by IFAD and FAO.
Introduction

1. Organic products, some of which are also Fair Trade certified, are good examples of how Samoan farmers have been able to benefit from the increased interest in special qualities in an increasingly differentiating market. While there are many other schemes operating for certified products, organic products, in combination with Fair Trade, are likely to continue to be the most important for Samoa over the coming five years.

2. The traditional farming system in Samoa is basically an organic production system, i.e. it relies solely on local resources, natural regeneration of soils, diversity, traditional natural remedies for pests, manual weeding and rather low labor input. Organic farming as a defined and standardized method was introduced into Samoa in 1994. Somewhat later, the NGO Women in Business Development Inc. (WIBDI) included organic farming as a strategy for market development. Expansion of organic farming and business also attracted the Government’s attention and in August 2006 a National Organic Advisory Committee was established under the chairmanship of the Prime Minister to drive and promote the development of organic farming in Samoa. WIBDI works with around a thousand farmers: 350 are now certified, involving about 19,000 hectares. The main target is the export market while the domestic market is still very small. The organic production system works well with most crops grown in Samoa. The main challenges are in terms of organization of producers, certification issues and market capacity.

Specialty Certification Systems

3. The market growth for sales of produce that are produced according to special “quality” standards has been substantial over the last decade. The first, and still most prominent, are products from organic agricultural production. It is also the only one that to some extent is regulated by public standards as opposed to only private sector standards. Other prominent schemes relevant for the food sector are, for example: Fair trade, Rainforest Alliance and company specific schemes, e.g. for Unilever and Starbucks’. Some of these latter standards have a rather narrow range of products and a few are unique for one commodity, in particular coffee which is certified to all the schemes mentioned above as well as the Utz Certified, Smithsonian Bird-friendly and 4C programs.

4. In addition, a private sector food safety standard, Global GAP, earlier called EurepGAP, has become a de facto trade standard for fruit and vegetables in several European markets, and is slowly also expanding into other produce areas. HACCP and ISO 22000 are food safety management standards, of which HACCP is more or less a de facto standard for market access to developed countries. HACCP and Global GAP are thus not specialty certifications and command no premium in the market place. The ISO 22000 standard so far has a very limited uptake (some 10,000 certificates globally). Finally, there is also the system of Geographical Indications (GIs or appellation), linking a product to a specific production area and certain characteristics. See annex 1.

5. Some operations in Samoa follow the HACCP standard and are also certified for it. HACCP is more appropriately a standard for food processing, and much less often applied to primary production. The corporate plan of MAF proposes that “HACCP systems developed and maintained for all trading
commodities”. However, at present, the capacity to implement HACCP systems is absent in Samoa, although it should be possible to train a few persons that could provide HACCP technical assistance as a private service or perhaps as a government support to the sector\(^2\). GlobalGAP has no retail membership in the main Samoan markets, Australia and New Zealand, and only one member in Japan and few in the USA.

6. **Organic farming** has a history of about eighty years. Since the 1970s organic agriculture has developed into a market concept as well, with standards, certification and finally government regulation in most developed countries. Organic agriculture standards are harmonized at the private sector level by the International Federation of Organic Agriculture Movements and between governments in the joint FAO/WHO Codex Alimentarius Committee. There are some 400 certification bodies in the world offering organic certification. Global markets in organic products are estimated to be worth around US$ 40 billion. Organic products mostly command premium prices of between 10% and 100% with most products in the range of 15% to 25%. Price premiums are not guaranteed, however, and occasionally organic products are sold for conventional product prices.

7. The system of **Fair Trade** is less systematized than organic. There is the Fair Trade Labeling Organization (FLO), the World Fair Trade Organization (see annex for more detail) and then there are many company-specific fair trade initiatives as well as certification bodies (e.g. IMO, ICEA and Ecocert) that have developed their own fair trade standards and labels. The two products in Samoa that are said to be Fair Trade, Misiluki bananas and virgin coconut oil are not actually fair trade certified at this stage; the virgin coconut oil is part of Body Shop’s Community Trade scheme, and the Misiluki bananas are claimed to be fair trade under the auspices of Oxfam NZ\(^3\). The market for products under the FLO mark is estimated to be around US$3bn. Many Fair Trade producer groups continue to sell a lot, and in some cases most, of their produce to the conventional market, as there is not sufficient demand for the product. See more in Annex 1.

8. There seems to be no other formalized specialty certification scheme operating in Samoa other than the organic and the fair trade schemes, of which the later is always linked to organic. No stakeholder in Samoa has shown any interest in any of the other schemes. Compliance capacity is a limiting factor for implementation of all schemes and there are currently inadequate human resources and skills available in the country to deal with more schemes. The remainder of this report examines opportunities for organic and fair trade products.

### Organic Farming in Samoa

9. The traditional farming system in Samoa is basically a traditional organic production system i.e. it relies solely on local resources, natural regeneration of soils, diversity, traditional natural remedies for pests, manual weeding and rather low labor input\(^4\).

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2 This is however outside the scope of this review.
3 WIBDI has applied to FLO for certification of the products, but had not yet attained this certification at the time of this review.
4 This is in contrast with modern organic farming which in many cases is a rather intensive production system. In many European countries average organic farms are bigger than the average farm size, the farmer has higher education, the farms are more mechanized and the farmers are more market orientated than the average farmers.
10. Certified market orientated organic farming was started in Samoa in 1994. Cocoa, lime, coconut, banana, mango, pineapple, pawpaw and ginger was planted in the Malaefono organic plantation. Somewhat later the NGO Women in Business Development Inc\(^5\) (WIBDI) chose organic farming as its’ main market development strategy. Expansion of organic farming was also attracting the Government’s attention at this time and in August 2006 a National Organic Advisory Committee under the chairmanship of the Prime Minister was constituted to drive and promote the development of organic farming in Samoa. The Committee consists of the Prime Minister and of Ministers and CEOs of the Ministry of Natural Resources, Environment and Meteorology (MNREM) and Agriculture and Fisheries (MAF), and the WIBDI President and Executive Director. The Committee secretary is the CEO of the Prime Minister's Office. The Government has also offered some financial assistance for the work of the committee as well as for WIBDI’s on-going activities. WIBDI is seen as the focal point for organic farming in Samoa, including by Government.

11. All organic activities today are coordinated by WIBDI, who works with around a thousand farmers, of which 350 are certified. About 19,000 hectares of farm land is certified. The certified farms and small scale virgin coconut oil processors generated about WST200,000 in exports in 2009. The domestic market is still very small with limited demand from the hospitality sector\(^6\) and non-existent demand from the food wholesale and retail sectors. There is a small bi-weekly outdoor organic market in Apia and there is an organic basket subscription scheme which sells some 10-30 baskets per week.

**Action plan for Organic Agriculture in Samoa**

12. The Government of Samoa has expressed support to organic farming in various ways over the years:

   “A key aspect of diversification relates to organic farming. Organic Farming provides both niche marketing and environmental benefits and will be strongly promoted. Assistance will be directed at facilitating the certification and accreditation process for new entrants. Training and testing for pesticide residues will be conducted to attain the best knowledge on the benefits of organic production.”  (Samoa Development Strategy 2005-2007). The Corporate Plan for MAF 2008-2012 doesn’t specifically address organic farming, even if some of the goals are based on organic farming. “Marketing and branding are critical to the realization of opportunities for organic agricultural and livestock production, for which Samoa’s natural resource endowment and remote location are advantageous.” (SDS 2008-2012).

13. A SWOT analysis of the organic sector in Samoa, shown in the table below, assessed the strength, weaknesses, opportunities and threats for the organic sector; issues that are common for all farmers, organic or conventional (e.g. threats such as cyclones, exchange rate fluctuations) are not listed here.

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\(^5\) WIBDI was set up in 1991, as the first non-governmental organization of its kind in Samoa. The organization is committed to identifying income generating opportunities, especially for rural village populations.

\(^6\) The restaurant Paddles has started to buy organic fruit and vegetables.
### Table 1: SWOT Analysis Samoan Organic Farming

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weakness</th>
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<tr>
<td>• Existing experience and knowledge</td>
<td>• Existing initiatives are donor dependent</td>
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<tr>
<td>• Organic has few production problems</td>
<td>• Existing production is mostly very small-scale</td>
</tr>
<tr>
<td>• WIBDI is a strong actor with lasting engagement in organic production/marketing</td>
<td>• Market chains not economically sustainable</td>
</tr>
<tr>
<td>• Traditional staple food easily grown organically – no conflict between organic and food security</td>
<td>• WIBDI is the only actor driving the development today</td>
</tr>
<tr>
<td>• Lack of private sector engagement and investment</td>
<td>• Lack of private sector engagement and investment</td>
</tr>
<tr>
<td>• Support service (extension) for farmers is weak</td>
<td>• Projects or policies promoting agro-chemicals</td>
</tr>
<tr>
<td>• Projects or policies promoting agro-chemicals</td>
<td>• Competition from other countries</td>
</tr>
<tr>
<td>• Interest from market</td>
<td>• Competition from other countries</td>
</tr>
<tr>
<td>• Interest from donors</td>
<td>• Projects or policies promoting agro-chemicals</td>
</tr>
<tr>
<td>• Most farmers have a system similar to organic</td>
<td>• Competition from other countries</td>
</tr>
<tr>
<td>• Climate change programs and other ecosystem service payments</td>
<td>• Projects or policies promoting agro-chemicals</td>
</tr>
<tr>
<td>• Easy to expand production</td>
<td>• Competition from other countries</td>
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14. The SWOT analysis provides most of the rationale for the interventions that are identified in this technical assistance report. The suggested actions build on the strengths, address and reduce weaknesses, try to capitalize on opportunities and avoid or mitigate threats.

15. The starting point for an action plan for organics must be a clear **policy statement** which sets the Government’s ambitions on organic agriculture. It should recognize the relevance of organic agriculture for a multitude of objectives such as: a) preserving the environment; b) producing healthy and nutritious food in a safe manner for the involved farmer and farm workers; c) preserving or developing resilient farming methods based on bio-diversity which will be more resilient to adverse climate conditions and natural disasters; d) increasing income through access to a better paying market; and e) contributing to carbon sequestration through increased soil organic matter and reduction of energy needs in farming\(^7\). Such a policy statement justifies and guides subsequent actions. The outlined action plan is also based on the wider benefits of organic agriculture as opposed to the mere market benefits. Nevertheless, markets will be the main driver for organic development.

16. The **strategy** for development of organic production is to “**develop strong organic value chains both for exports and domestic markets**”.

17. The policy should be followed by an expression of ambition and direction. This is done by setting clear targets. These targets would need to be set by Government as part of the overall Agricultural Sector

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\(^7\) Chemical fertilizers represents the highest energy demand in many farming systems
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Plan. The targets could include the (increase in) numbers of farmers involved in organic farming (and who are certified); the increase in the farm gate value of organic produce, both for the local and export-market. Other targets could be the number and type of pilot projects initiated where organic farming is rewarded for its contribution to the environment or as a supplier of eco-systems services. The (increase in) number of Samoans, consumers and producers alike that have an understanding of what organic farming entails and the benefit thereof and the international reputation of the island as an “organic” tourist destination.

18. The existing National Organic Advisory Committee should continue its role as a national coordinating body, and advise the government on policy issues. For the daily implementation of organic projects and plans one could consider a more practical level committee / stakeholder forum that could meet more often. A focal point for organic agriculture should be assigned to MAF, so that there is one clear coordination point. WIBDI is likely to continue to be the general leading organization for organics in Samoa. Nevertheless, it is important that other stakeholders, in particular the private sector, also are engaged in the development. Regular stakeholder meetings would ensure that they are also informed and empowered. These meetings could be the same as the committee/forum referred to above.

19. One major issue to consider is how to organize farmers in value chains which are sustainable and commercially sound. In the Samoan situation the WIBDI model works. It is – or should be - like an incubator leading either to farmer groups or private companies taking over the business side of it. The Farmer association/cooperative model is possible, but the experiences in Samoa of those kinds of organizations seem to be mixed and the capacity of the farmers is put in question. Village models would be culturally appropriate, but it seems to be very hard to work commercially within the village context. The contract farming model is likely the most promising model for long-term development.

20. There is no need to pre-judge which models will be best in each scenario and for each crop, but the main strategy should be to engage private sector actors in the value chains to the maximum extent possible, as they are the drivers of economic development. If private companies get more involved in the market chain, WIBDI can perhaps also act as a service provider for them, with advisory work and execution of Internal Control Systems.

A. Domestic-oriented organic production

21. These activities aim to organize supply in sustainable chains; engage private sector and farmer’s organizations; and raise Samoan consumers’ awareness of organic products. Further it has a strategic direction to the hospitality industry. It builds on what has already been done.

22. Proposed interventions could include support for the development of an organic mark and related promotional activities and materials. This mark would be “owned” by GoS. It would be designed by a professional agency and would go together with the design and production of promotional packages.

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8 Internal Control Systems are a component of the organic certification of small-farmer groups, where an internal control replaces some of the external control by the certification body.

9 Note that there are issues to consider here. A Pacific Organic Mark has been developed in the context of the SPC and POETCom and WIBDI also has an own mark. See Annex 2.
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There would be promotional events directed at producers, consumers, teachers, the hospitality industry and other key groups. Support could be provided to producers, traders and retailers for labeling and packaging materials. This could further include the production of stickers and bags with the organic mark; an initial supply could be made available to producers, traders and retailers.

23. An important item is the engagement of and provision of incentives to local traders in the supply chain for the domestic organic market. This could be achieved through educational events for local traders, provision of transport support or other small incentives for those wanting to get started. Activities would ideally be coordinated with the weekly organic market and the basket scheme, which could both be further developed.

24. Special initiatives for hotels and restaurants including education of customers, and the development of promotional materials for visitors should be considered. This could include the production of the Samoan Organic Cookbook for the hospitality industry and for sale to tourists; signposts for hotels and restaurants using organic foods; educational events for hotels and restaurants; development of on-farm tours for tourists; and an Organic Samoa web site. One precondition for these efforts to be successful is a simplified “certification” system for the local market (see below and annex 2).

B. Export-oriented organic production

25. This component’s aim is to build or expand strong export value chains. In the first place this implies upgrading and up-scaling good existing value chains: Misiluki bananas, coconut oil and products made from coconut oil. There would be the development of “new” organic value chains, as preliminary identified: fresh coconut, dried fruit, fresh eggplant, papaya, taro leaves. Question marks surround the cases for: vanilla (price, quality), nonu (competition), cocoa (price and volume), coffee (volume, quality and price), taro (market demand) and honey (competitiveness and volume). No livestock products are deemed to have potential for export. It should be noted that the export marketing prospects are not as promising and that the competition is fierce. Extraordinary quality and quarantine requirements (for fresh produce) in the closest markets are large obstacles. The main focus for export efforts is the Pacific Rim, other markets (e.g. Europe) should not be entirely excluded.

26. Promotion of export-oriented organic production would require support for market research and undertaking market surveys for identified crops. Some certification support could be provided, whereby certification costs are subsidized and gradually phased out. Another potential area for support is market facilitation which would entail support for Samoan exporters to participate in selected trade fairs or trade missions. Support to assist Samoan producers with international marketing could also be considered.

27. In the area of branding and promotion for export, design and development of an Organic Samoa package is recommended, including the establishment of an Organic Samoa Web site and production of Organic Samoa posters and presentation materials.

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10 Main targets are NZ, AUS and US West Coast. Events such as the Natural and Organic Products in California every March, www.expowest.com, or the Organic Expo held in Sydney in August http://www.organiceexpo.com.au/.
28. Export-oriented organic production requires appropriate post harvest treatment. Various methods for special post harvest treatments would need to be trialed.

29. Training “new” organic exporters in export business procedures and marketing\textsuperscript{11} would be another area for potential support. Workshops on organic markets, certification issues and other relevant topics could be facilitated for emerging organic exporters. Training through contracted service providers of MAF and through NGO staff would help emerging exporters understand how to implement certification procedures.

30. Various promising initiatives, such as improved technology for virgin coconut oil extraction, better facilities, trial processing, trial shipment to new destinations, cool chains could also be supported through a combination of demand-driven bank loans, matching-grants and household contributions.

C. Policy and capacity

31. It is important for organic farming to be mainstreamed in Samoan policies. To facilitate the development and implementation of organic programs, analyses of the extent to which organic agriculture is affected by various government policies needs to be undertaken. These analyses would ideally be framed to assess the opportunities for organic agriculture as a supplier of public goods, such as ecosystem services and carbon sequestration and identify investment opportunities.

32. Support is needed for capacity building of agencies and private sector implementers, which might include facilitating some overseas training in organic sector and policy development.

D. Standards, mark and certification

33. There is a need to improve access to standards and certification services and to increase the capacity of actors in the value chain to understand and comply with standards and certification requirements. These activities should link closely with existing developments in the Pacific with the SPC and POETCom\textsuperscript{12}. The current certification provided from Australia works fairly well, although it is not geared to providing certification for the local market. Alternatives for future certification service delivery need to be considered. This is further elaborated in annex 2.

34. Potential areas for support would include the development of a strategy for organic certification development and the procurement of certification services linked to the strategy. There is a role of training and capacity building linked to the strategy including training key people for roles in the certification process (inspectors, admin etc. pending the outcome of the strategy).

35. The translation of the Pacific Organic Standard into Samoan and preparing a simplified version for use in the field, as part of an information kit, is another intervention to support the certification. This will go together with the development of an organic mark to be used in the domestic market and the

\textsuperscript{11} It is assumed that there is capacity in Samoa for this component, Ministry of Trade, SBEC, SAME?

\textsuperscript{12} Projects supported by IFAD and FAO.
development of a registration system for organic farmers so that technical assistance could be targeted to them.

E. Production

36. Building advisory capacity is a crucial intervention. Advisors on organic farming need to be trained; some overseas study tours would need to be considered.

37. Demonstration farm/plots on real farms (small-scale and commercial) will play an important role. Farmer-to-Farmer exchange and other participatory methods could be promoted, along with piloting field-scale trials of new methods (e.g. green manure crops), inputs (e.g. biological control, rock dust etc) and varieties (especially vegetables). The same applies for the supply of organic seeds or seedlings for any export crops.

38. Research exchange programs with countries with a developed organic sector and comparable climate (Philippines, Thailand, Hawaii, Australia, of which Thailand seems to be the most interesting option) need to be considered.

39. Farm enterprise investments for farmers interested in organic production could be supported through a matching grant program.

F. Annual Organic Event

40. An annual organic event could form a platform for interaction with stakeholders, reaching out to media and the public, launching new initiatives and reporting back on results. The event could be organized in conjunction with some other initiatives with visits of International or Regional Experts. The event will most likely be a conference with a smaller fair.

Implementation

41. Various ministries (MAF, MNRE, Ministry of Tourism/Samoa Tourism Authority, Ministry of Health), NGOs (in particular WIBDI), farmers’ organizations and private sector actors would need to be involved in a project to support organic production in Samoa. Any new initiatives should be closely coordinated with other projects operating in the organic sector, e.g. with SBEC for support to small business support and financing and with POETCom and FAO for Pacific cooperation.

Annex 1: Geographical Indications and Fair Trade

Geographical Indications (GIs or appellation)

42. There could be some opportunities for development of a product along the lines of Geographic Indications (such as Champagne, Parma ham, Scotch). There are three reasons to seek to protect a
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Geographic Indication. The main reason would be to brand a product for the export market in a way that would give Samoan producers a distinct advantage over other producers, another one is to brand it for the local market to fend off imports, the last reason would be as a component in branding Samoan culture and tourism. A pre-condition for a GI is that the product has some unique characteristics that can be subject to standardization, over and above the geographic origin. E.g. Samoan Taro is already sold as Samoan Taro and Taro from Fiji could not normally be sold as Samoan Taro. To develop Samoan Taro into a GI one would have to look into standardization of varieties, grading and perhaps also production practices. The same applies for virgin coconut oil and nonu juice. Most of the successes from developing countries have come on top of a long-standing popular product and via further marketing by strong partners. It is hard to identify a product in Samoa that could be a candidate for such a scheme. The “MONOI de TAHITI” was officially recognized by an "Appellation of Origin" through a French decree 1992 after arduous lobbying by the Association of the Monoi Manufacturers of Tahiti. This “appellation d'origine” was a first for a cosmetic product and one of the few from the Pacific.

Various fair trade systems

43. In 1997 the worldwide Fairtrade Labeling International (FLO, www.fairtrade.net), was created. Today, FLO is responsible for setting international standards for Fair Trade products, certifying production and auditing trade according to these standards and for the labeling of products. There are now 20 Fair Trade labeled products the number is expanding. Fair Trade labeling has helped Fair Trade to go into mainstream business.

44. Parallel to the development of labeling for products, the World Fair Trade Organization (WFTO, www.wfto.com) developed a monitoring system for Fair Trade Organizations. In order to strengthen the credibility of these organizations towards political decision-makers, mainstream business and consumers, the WFTO Fair Trade Organization Mark was launched in January 2004. The Mark is available to member organizations that meet the requirements of the WFTO monitoring system and identifies them as registered Fair Trade Organizations. WFTO is working with FLO on a Quality Management System for Fair Trade. WFTO is also developing a third-party certified product label for Fair Trade Organizations. Other fair trade initiatives that can be mentioned are: BSCI – business social compliance initiative, Ecocert fair trade standards, Ethical junction, Ethical trading initiative (ETI), Fairwild, Institute for Market Ecology (IMO), Naturland, Rainforest Alliance, Responsible Purchasing (RP), Social Accountability International (SAI), Soil Association ethical trade


45. Today all organic certification is provided by the Australian based NASAA. NASAA is reputable and has the broadest possible international acceptance. Many organic certification bodies are only approved or accredited in one, or a few markets, NASAA is one of the few that are IFOAM Accredited, approved in Japan, the USA and the EU.
46. The certification works reasonably well – albeit costly. Today the Government of Samoa gives WIBDI WST 50,000 annually for the certification process. Of this the cost for NASAA’s fee is around WST 30,000, leaving some WST 20,000 to WIBDI for its own work with implementation of the Internal Control System. NASAA inspects some 10 percent of the farmers and verifies the effectiveness of the Internal Control System.

47. The supply of certification services from overseas has the big advantage of being professional, reliable and giving market access. The disadvantages are costs, limited local knowledge, understanding, availability and communication, low ability to deliver timely services (as there is no local office or representation), low responsiveness to local needs and little interest and engagement in the development of the local market. What are the options for development?

**Local private certification body**

48. Samoa has little scope for the establishment of a local certification body for several reasons: client basis is too small for the establishment of a qualified certification body; overhead costs for accreditation for the various markets will be spread on few producers and therefore be prohibitive; the reliability of a local body is likely to be put in question.

**Regional Pacific certification body**

49. A regional certification body has perhaps some scope for survival, however NASAA, BioGro and other certification bodies established on New Zealand and Australia can be seen as regional certification bodies and it is hard to see what difference a Pacific certification body would make.

**Local inspectors**

50. Inspection costs are a substantial part of the costs for certification (for group certification schemes as the one in Samoa perhaps 60-70 percent of the costs are for the inspection) and local inspectors could be working for foreign certification bodies. This is more or less the norm in many developing countries. A local inspector can also act as a representation office and thereby make the certification service more accessible. There are, however, substantial costs in training local inspectors. Both WIBDI and NASAA have expressed that they are not in favor of Samoan inspectors inspecting on Samoa because of conflict of interest, but that they could envision regional inspectors, e.g. a Tongan inspector inspecting on Samoa. If a sustainable organics sub-sector is to be developed and grown, then the issue of reliable certification by local inspectors has to be addressed and solved. Otherwise the situation would be untenable.

**Government control**

51. While most countries have models of private organic certification, there are many countries that have governmental control of organic production. Some 17 US states have governmental certification and Denmark and Finland have only government control of the sector. In the latter organic control is
integrated in the normal food and agriculture inspection services and not organized in some special organic certification body. This model could well be interesting for Samoa. The advantage is that government controls are not subject to demands for accreditation from importing countries and that one doesn’t have to create several layers of control as one have to do when there are private bodies supplying the service.

A registration program for the domestic market

52. For export sales, organic farmers must be certified by third-party certification systems or government, in order to get market access in major import markets. In most countries, local organic markets develop initially without organic certification, sometimes with no quality assurance at all, just the producer’s claim. This was also the case in the developed countries where organic now is going big. For the export markets, small farmers find the requirements for third-party certification cumbersome, and for emerging domestic markets, with substantially smaller volumes it is very hard to justify the use of such a costly and heavy system. Even in the USA, small farms (sales less than USD 5000) are exempt for the requirement for certification, they still have to follow the standards though. Meanwhile experience shows that some kind of quality assurance and a mark can be important components for market development. One alternative is to develop a simple registration system for organic farmers, which allows them to participate in organized domestic market chains; benefit from advisory service and be eligible for other support.

53. If this registration is documented properly, they can go into commercial export chains and third party certification as soon as there is a demand (i.e. don’t have to undergo a repeated “conversion”), provided the third party certification body has agreed to it.

54. It is therefore suggested that all organic farmers in Samoa (here we mean those that want to participate in some organic activities) could be registered with the data normally needed for certification; that they are a target group for advisory service and training; that they are supported in domestic market development and that they can use the Samoan Organic Mark. The registration scheme should be developed within MAF, but other actors, NGOs and private companies can perform functions in the scheme. Notably, WIBDI is already running a registration scheme similar to the one outlined above. The main difference is probably that the WIBDI registration is made with the intention of getting the production 3rd party certified, but the proposed registration, for producers not for exports, would be the only quality assurance.

Participatory Guarantee Systems

55. There are also other models of “simplified certification” so called Participatory Guarantee Systems. They build on strong producer groups in cooperation with others, e.g. consumers and NGOs. Such systems exist in many countries and are recognized by organic regulations in Latin America. In the Pacific, Solomon Islands and New Caledonia have developed PGS systems. In the Samoan context it is not so clear what benefits a PGS system could entail which are not also covered by the proposed registration system. A PGS system also works best when farmers organize themselves in strong groups, something that doesn’t appear to emerge easily in Samoa.
Mark and Branding

56. Linked to this discussion is also the use of an organic mark. The POETCom has developed a Pacific organic mark that can be used for third party certified organic products and one very similar that can be used for PGS certified products. It is not so clear for this consultant if the scope and energy for those marks are mainly for the export market or for the domestic markets. Their management structure etc. is also under development. It is therefore not clear if it makes more sense to go for a Samoan Organic Mark or the Pacific organic mark, and also this must be further elaborated.

Incremental development

57. One could envision that a development could be done in several steps, so that initially local inspectors from the government are trained and used by NASAA (or other), and that they gradually can take on more responsibility and finally in time they are converted into an organic inspection unit within MAF. It also means that NASAA or another organic certification body shall work in partnership with the Government of Samoa. One needs to recognize that it is not in the interest of a certification body to support a development where it will become redundant, so there must be something interesting in it also for them, in terms of financial compensation for knowledge transfer etc. These options require more discussions on the ground, and a consensus building process to find the best option.