

National Synergistic Linkages Between Green Trade and Sustainable Development – **VANUATU**



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Abbreviations and acronyms

CNO	Crude Coconut Oil
GAP	Good Agriculture Practices
IFOAM	International Federation of Organic Agriculture Movements
ITC	International Trade Centre
MSG	Melanesian Spearhead Group
NTM	Non-Tariff Measures
PGS	Participatory Guarantee System
POETCom	Pacific Organic and Ethical Trade Community
SDG	Sustainable Development Goals
SIDS	Small Island Developing State
SPC	Pacific Community
SPS	Sanitary and Phytosanitary Measures
TBT	Technical Barriers to Trade
UNCTAD	United Nations Conference on Trade and Development
VCO	Virgin Coconut Oil
VSS	Voluntary Sustainability Standards

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1. Introduction

This report explores the potential for creating a matrix of national synergistic linkages between green trade and sustainable development in Vanuatu. As a Small Island Developing State (SIDS), Vanuatu faces unique challenges and opportunities in its pursuit of sustainable development. Smallness, remoteness, narrow export base, and exposure to global environmental challenges and external economic shocks come as “unique and particular vulnerabilities” (United Nations, 2012). Green trade is an integral element of overcoming some of the challenges and achieving sustainable development. Its importance lies in two areas. First, it opens doors to specialized markets that value “sustainability”, creating economic prospects. Second, it offers notable social and environmental benefits. In this context, Non-Tariff Measures (NTMs) and Voluntary Sustainability Standards (VSS) are important. They help in enhancing green trade and aligning it with Vanuatu’s national sustainable development strategies and the Sustainable Development Goals (SDGs) outlined in the 2030 Agenda for Sustainable Development (United Nations, 2015).

The Vanuatu matrix of synergistic linkages presents how policy recommendations, aiming at fostering green trade, can contribute to achieving the country’s national sustainable development plan. The matrix is based on a foundation of data related to NTMs, as well as a comprehensive assessment of VSS for the Vanuatu virgin coconut oil sector developed as part of the Melanesian Spearhead Group (MSG) Green Trade Project funded by the United Nations. NTMs and VSS are key instruments to shape the country’s green trade. NTMs, being mandatory trade requirements stipulated in regulations often for public objectives, form the essential framework which enables green trade. Meanwhile, VSS, which are voluntary private standards, or requirements, set out to meet specific economic, social and environmental metrics, create an extended sphere that increases the value of green trade. Ultimately, NTMs and VSS serve as tools for enhancing environmental protection, social inclusion, and economic prosperity.

The following section of this report will provide an overview of Vanuatu’s sustainable development strategies. Based on the confirmed linkage between Vanuatu’s strategies and the 2030 Agenda, the next section will examine the potential of Vanuatu’s NTMs and VSS for promoting green trade and achieving the SDGs, with a specific focus on virgin coconut oil as an example of the transformative potential of VSS. Then, potential opportunities and challenges arising from green trade promotion will be assessed from the perspective of rural communities and of women and youth, to highlight the importance of “leaving no one behind”. Finally, the conclusion will offer the matrix of synergistic linkages between green trade policy recommendations and the achievement of the country’s sustainable development strategies.

This report also acknowledges the significance of regional integration in the Pacific region. The matrix has therefore been used to guide the creation of a sub-regional action plan for MSG countries.



2. Vanuatu's national sustainable development strategies

2.1 Vanuatu 2030 – The People's Plan

Vanuatu's sustainable development plan for the period of 2016-2030 is outlined in the Vanuatu 2030 - The People's Plan report. This document highlights the goal to create a "stable, sustainable, and prosperous Vanuatu". It charts the country's vision and overarching policy framework for achieving this goal by 2030 in alignment with the SDGs. The plan has been informed by the priorities of a diverse group of stakeholders through a three-year consultation, including the people of Vanuatu, their community, elected representatives, the private sector and civil society. The plan aims to achieve greener and more inclusive growth and identifies goals for the country under the social, economic, and environmental pillars. Figure 1 presents the 15 goals outlined in the Vanuatu 2030 – The People's plan. These goals and policy objectives thereunder are linked to 17 SDGs under the 2030 Agenda (see Annex 3).

Figure 1. Vanuatu Nationals Sustainable Development Goals

SOCIETY PILLAR		ENVIRONMENT PILLAR		ECONOMY PILLAR	
SOC 1	Vibrant cultural identity	ENV 1	Food and Nutrition Security	ECO 1	Stable and Equitable Growth
SOC 2	Quality Education	ENV 2	Blue-Green Economic Growth	ECO 2	Improve Infrastructure
SOC 3	Quality Health Care	ENV 3	Climate and Disaster Resilience	ECO 3	Strengthen Rural Communities
SOC 4	Social Inclusion	ENV 4	Natural Resource Management	ECO 4	Create jobs and business opportunities
SOC 5	Security, Peace and Justice	ENV 5	Ecosystems and Biodiversity		
SOC 6	Strong and Effective Institutions				

Source: Vanuatu 2030 – The People's Plan.

2.2 Vanuatu National Coconut Strategy 2016-2025

In addition to a national development strategy, Vanuatu has also formulated sector-specific development strategies, including the Vanuatu National Coconut Strategy 2016-2025. The strategy was produced by the Department of Agriculture and Rural Development to assist in implementing the Vanuatu Agriculture Sector Policy. While the focus in the coconut sector in Vanuatu has traditionally been on coconut oil, the strategy highlights that in addition to coconut oil, the sector must explore new opportunities to maximize return for the farmers (Department of Agriculture and Rural Development, 2016). The vision of this strategy is to make coconut a top income generator in Vanuatu's agricultural sector by 2026.

Vanuatu's National Coconut Strategy 2016-2025 identifies organic and fair trade certification as one of the opportunities to boost the copra and coconut sector (Department of Agriculture and Rural Development,

2016). The Coconut Strategy also emphasizes the role of organic certification. The strategy identifies six objectives and four of them resort to organic certification as a means of achievement.

- Objective 1 focuses on establishing appropriate administrative and regulatory frameworks to manage the coconut sector. The proposed activity includes revising the Food Act to encompass Good Agriculture Practices (GAP). The expected result is achieving organic and fair trade certification for Virgin Coconut Oil (VCO) products, leading to access to organic niche markets for these products and their byproducts.
- Objective 2 aims at increasing farmers' access to improved planting materials. It involves establishing a procedure for the organic certification and registration of coconut farmers and products. This is anticipated to result in an approved procedure for granting certification and registration to farmers, managed by the National Coconut Authority.
- Objective 4 seeks to increase production and quality through good agricultural practices. This will be facilitated by promoting organic certification for coconut processing for domestic and export markets. The expected outcome is a high level of awareness about the importance of certification in coconut production and processing, resulting in an increased number of registered coconut farmers and producers with organic certification.
- Objective 5 introduces incentives for private sector engagement in agro-processing and value-adding at all levels of the value chain. The plan is to establish legislation for organic certification of coconut production and value addition to coconut products. The expected result is a range of organically certified coconut products destined for high-value export and domestic markets, enhancing the number of coconut products labeled as certified organic and marketed as high-value products.

3. Vanuatu's NTMs and VSS for green trade and sustainable development

In Vanuatu, the MSG Green Trade Project undertook the collection of NTM data and the update of VSS assessment on virgin coconut oil. These two activities shed light on the state and characteristics of NTMs and VSS existing in the country. The NTMs and VSS have contributed to shaping the country's trade practices. Good design, implementation and monitoring of NTMs and VSS can ensure that Vanuatu's trade becomes greener and more aligned with the sustainable development priorities under the Vanuatu 2030 – The People's Plan¹ and the 2030 Agenda. For example, NTMs and VSS hold the promise to increase the attractiveness of Vanuatu's primary exports, such as coconut products, to sustainability-conscious markets, facilitating the promotion of green exports, stimulating inclusive economic growth, and endorsing environmental and social sustainability. The following subsections will explore the current state and, more importantly, the potential of NTMs and VSS in these regards.

3.1 Potential of NTMs for green trade and sustainable development

NTMs are policy measures, other than tariffs, that can potentially affect international trade (UNCTAD, 2010). According to the methodology of UNCTAD's NTM data collection, which rolled out in Vanuatu under this MSG Green Trade project, NTMs are considered to be mandatory and substantive requirements stipulated in regulatory documents. Therefore, they contrast with VSS and procedural requirements. For example, NTMs range from sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures to quantitative restrictions, fees and charges.

NTMs can provide significant opportunities for Vanuatu to align its trade practices with the sustainable development goals. On the one hand, NTMs can be designed and implemented in ways that directly support sustainable development objectives. For instance, hygienic requirements for imported food or emission level requirements for imported cars can help protect public health and prevent air pollution, ultimately supporting SDG 3 (Good Health and Well-Being) and SDG 11 (Sustainable Cities and Communities). These measures have great leverage because Vanuatu is highly dependent on imported foods, machines and vehicles, energy and pharmaceuticals. Moreover, NTMs could be particularly relevant for Vanuatu's coconut oil sector, where maintaining high standards of production could facilitate access to international niche markets and promote sustainable practices within the industry.

However, it is important to note that while NTMs hold potential for advancing sustainable development, their design and implementation need to be carefully managed. Poorly designed or implemented NTMs can create trade distortions, increase the cost of trade, and potentially have negative impacts on sustainable development. With the trend towards tariff liberalization, NTMs have emerged as a main obstacle to trade. They are known to be up to three times more restrictive to trade than tariffs (UNCTAD, 2013). Therefore, it is critical to ensure that NTMs are transparent, non-discriminatory, and do not create unnecessary obstacles to trade.

UNCTAD conducted NTM data collection of Vanuatu for the first time under this MSG Green Trade project. It examined regulatory documents of all hierarchies that were active by end-2021. It identified 276 NTMs from 73 regulations governed by 16 different ministries and departments.² Below is the summary of Vanuatu NTMs:

- 188 measures targeted import products while 88 export products.

¹ Department of Strategic Policy, Planning and Aid Coordination (2016).

² UNCTAD also identified 20 NTMs that had been repealed before end-2021. Including the repealed NTMs, UNCTAD identified 296 NTMs in total. They were from 81 regulations and governed by 16 different ministries and departments.

- The largest group of NTMs are SPS and TBT measures (154 measures), such as requirements on hygiene, quality, production, post-production, transport, storage, labelling, packaging, inspection, testing and certificate. Quantitative restrictions like quotas and prohibitions are the second-largest category (39 measures), and fees, charges, and taxes come third (29 measures).
- Several NTMs apply to all products horizontally. For example, use of designated port, license of corporate exporters and importers, and customs declaration and fees for the declaration.
- Based on the number of regulations, the most regulated product groups are animals and animal products; plants and plant products; and alcoholic beverages.
- Based on the number of regulations, the least regulated product groups are fertilizer; animal feedings; hazardous wastes and chemicals; and metrological instruments.

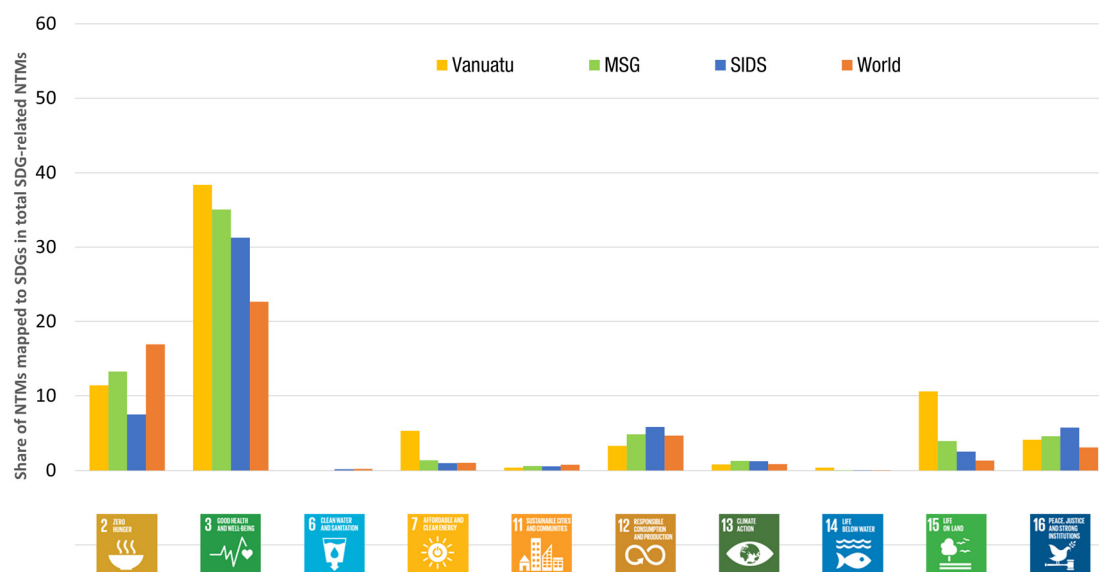
Approximately two thirds of NTMs in Vanuatu (66.5 per cent) have positive and direct linkages to SDGs.³ This share is higher than the average share of MSG member states, SIDS and the world that are respectively, 56.89 per cent, 48.39 per cent and 45.64 per cent.

Figure 2 offers a detailed analysis of the alignment between Vanuatu's NTMs and the SDGs. It quantifies the percentage of NTMs linked to each SDG, noting that some NTMs may relate to multiple SDGs. For context, the analysis includes comparisons with the average shares of MSG member states, SIDS, and the global average. Key highlights include:

- Around 38 per cent of Vanuatu's NTMs directly support SDG 3 (Good Health and Well-Being) by ensuring the efficacy and safety of medicines, thus supporting the fight against diseases and mortality rate. They also contribute to controlling the use of narcotic drugs and alcohol and implementing the Framework Convention on Tobacco Control. The share of NTMs linked to the SDG 3 is higher in Vanuatu compared to the reference groups.
- More than 11 per cent of NTMs directly support SDG 2 (Zero Hunger). SPS measures on agricultural and biological products help ensure sustainable food production systems and implement resilient agricultural practices.
- Approximately 11 per cent of NTMs directly serve SDG 15 (Life On Land) through the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora and the management of timber export including sandalwood. The share of NTMs linked to the SDG 15 is particularly higher in Vanuatu compared to the reference groups.
- Albeit in small numbers, Vanuatu's NTMs also contribute to:
 - SDG 7 (Affordable and Clean Energy) by ensuring energy efficiency of electrical appliances.
 - SDG 16 (Peace, Justice and Strong Institutions) by controlling the flow of arms and radioactive materials.
 - SDG 12 (Responsible Consumption and Production) by regulating production and trade of ozone depleting substances and the products using such substances in the pursuit of implementation of Montreal Protocol.

³ The methodology of calculating the share of NTMs that are linked to the SDGs takes only the NTMs under Chapters A to F and P into account. The NTMs under Chapters G to O are excluded from the calculation. In Vanuatu, 245 NTMs under Chapter A to F and P were used for the calculation (see UNCTAD, 2019).

Figure 2. Share of Vanuatu NTMs that address SDGs



Source: UNCTAD and UN ESCAP calculation, October 2023.⁴

The detailed analysis of Vanuatu NTMs revealed potential areas where Vanuatu can further promote green trade and synergistically support the sustainable development through good NTMs:

- Although Vanuatu has SPS measures on foods in general, it does not have many SPS measures that are specific to a certain type of food such as coconut products, root vegetables and milk products. Such measures can support SDG 2 (Zero Hunger) and SDG 3 (Good Health and Well-Being). In the case of other developing countries, including the Pacific SIDS, they sometimes resort to product specific standards in the CODEX Alimentarius and adopt them as a part of their regulations. This could be one option for Vanuatu. As of end 2021, the CODEX Alimentarius was referred only with respect to the rule of naming the food, under the Food (Control) Regulation Order 2007.
- As mentioned above, one of the least regulated product groups by NTMs in the country is hazardous wastes and chemicals. There are three international conventions that address the cross-border management of hazardous wastes and chemicals: the Basel Convention, Rotterdam Convention and Stockholm Convention. Vanuatu has ratified all three conventions. The country can consider establishing TBT measures and quantitative restrictions pursuant to the Conventions and controlling the export and import of hazardous wastes and chemicals. They can support SDG 12 (Responsible Consumption and Production).
- As of end 2021, Vanuatu has only one measure which concerns cars: The prohibition to import vehicles which are steered from the right side of the vehicle pursuant to the Import of Motor Vehicles (Control) Act 1992. The country can consider establishing TBT measures to ensure emission level and safety of used cars. Such measures can support SDG 11 (Sustainable Cities and Communities).
- As Figure 2 presented, Vanuatu does not have any NTMs that are linked to SDG 6 (Clean Water and Sanitization). Albeit small, some countries in the reference groups of SIDS and the World put in place such NTMs. Vanuatu can consider establishing TBT measures to ensure water efficiency of certain machines, baths, sinks, water basins and other sanitary parts to support this SDG.

⁴ The methodology was developed between UN ESCAP and UNCTAD and the calculation was undertaken by UN ESCAP based on the NTM data collected by UNCTAD.

3.2 Potential of VSS for green trade and sustainable development

VSS have emerged as key governance tools for Global Value Chains, addressing related sustainability concerns, and being used to advance sustainable development (Marx *et al.*, 2022). Over the past decade, VSS proliferation across sectors has resulted in a considerable growth in their market coverage. For example, around 25 per cent of global cocoa production, and 16 per cent of global cotton production is certified by some sustainability standard (Bissinger *et al.*, 2020). Currently, there are around 329 VSS operating across the globe, out of which 41 are active in Vanuatu (according to the ITC Standards Map). Some examples of VSS active in Vanuatu are: Aquaculture Stewardship Council, Fairtrade International, and Pacific Organic Standard.⁵

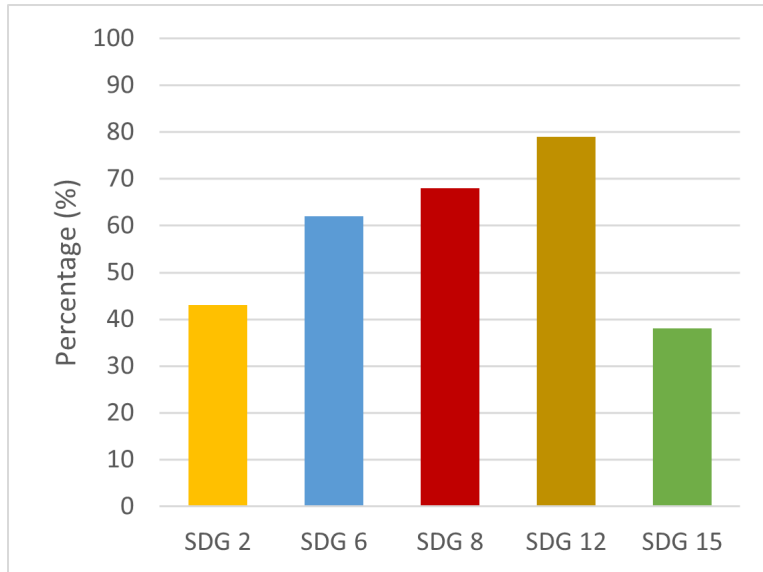
Current research done on 232 VSS indicates that based on the requirements of VSS, they have the potential to significantly contribute to the SDG 12 (Responsible Production and Consumption), SDG 2 (Zero Hunger), SDG 11 (Sustainable Cities and Communities), SDG 6 (Clean Water and Sanitation), SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education) and SDG 1 (No Poverty) (Bissinger *et al.*, 2020; Schleifer *et al.*, 2022). With respect to the VSS on organic products, studies on the International Federation of Organic Agriculture Movements (IFOAM) Standard (Version 2)⁶ have demonstrated its potential to address SDGs 2, 6, 8, 12, and 15 (Kosolapova *et al.*, 2023). As illustrated in Figure 3, the report indicates that approximately 40 to 80 per cent of the requirements prescribed in the IFOAM Organic Standard can:

1. Advance SDG 2 (Zero Hunger) by supporting agricultural productivity, farmers' livelihoods, and sustainable food production.
2. Advance SDG 6 (Clean Water and Sanitation) by improving water quality and water-use efficiency.
3. Advance SDG 8 (Decent Work and Economic Growth) by promoting ethical practices and labor rights.
4. Advance SDG 12 (Responsible Consumption and Production) by supporting environmentally sound management of chemicals and waste.
5. Advance SDG 15 (Life on Land) by supporting sustainable forest management, conservation of forests, and biodiversity protection.

⁵ For more information, see: <https://www.standardsmap.org/en/identify?origin=Vanuatu>

⁶ Standard document available at: <https://www.ifoam.bio/our-work/how/standards-certification/organic-guarantee-system/ifoam-standard>.

Figure 3. Average degree of coverage of selected SDGs with IFOAM Standard



Source: Kosolapova et al. (2023).

In Vanuatu, the reported organic agricultural land is 6,281 hectares, which is around 3.4 per cent of its total agricultural land (Willer *et al.*, 2023). In the recent past, there has been a growth in the number of producers involved in Participatory Guarantee System (PGS). This has been associated with an increase in the number of producers joining the Vanuatu PGS initiative called Farm Support Association / Syndicat Agricole Pastoral (Willer *et al.*, 2023). This figure is expected to continue to grow because of the Vanuatu Sustainable Tourism Strategy (Department of Tourism, 2021) which is being implemented to revitalize the tourism sector. This strategy specifically indicates a need to boost local organic production and support the development of PGS⁷ to attain a transition to a more resilient and less dependent tourism industry (Willer *et al.*, 2023). In light of this, Vanuatu has the potential for leveraging VSS requirements to not only promote green trade but also to protect the environment and improve the well-being of its people. VCO appears to be a particularly promising sector in this context. Current estimates place the market share of organic VCO at 514 million United States dollars, which constitutes almost a quarter of the world VCO market.⁸

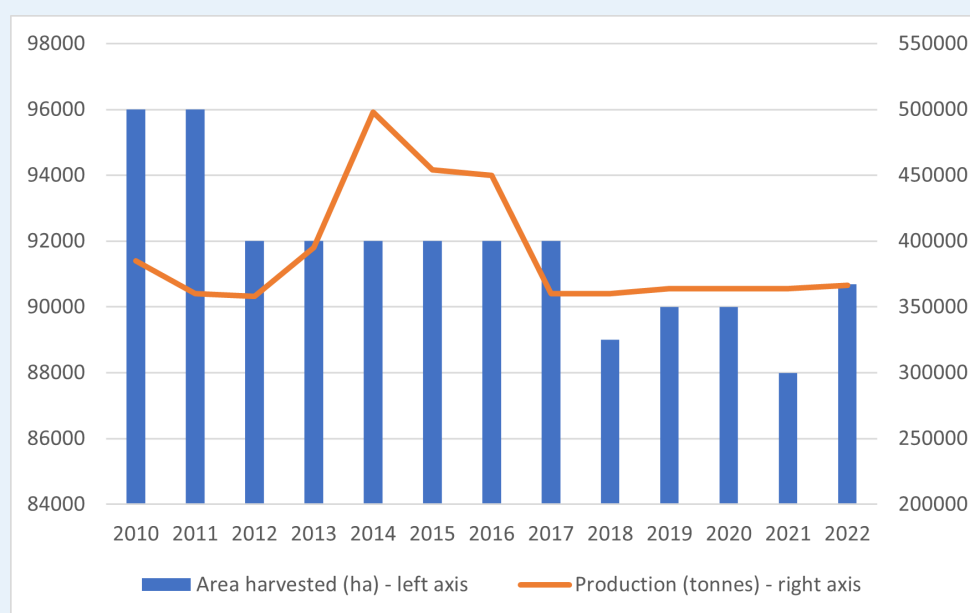
⁷ PGS: Entity or organization that has defined/chosen/adopted a common set of standards for organic agriculture and a common set of procedures (i.e., they have a common manual describing those procedures) and that has a coordination body (i.e., secretary, association) that has the overview of the data coming from the regional/subgroups, local groups or the individual farmers directly. For more information: <https://www.fibl.org/fileadmin/documents/shop/1254-organic-world-2023.pdf>

⁸ See Virgin Coconut Oil Market Size & Growth | Forecast [2021-2028] (fortunebusinessinsights.com) and Organic Virgin Coconut Oil Market Size, Share, Analysis 2030 (growthmarketreports.com).

Box 1: VSS and coconut oil sector in Vanuatu

The coconut, native to the Pacific and Vanuatu, naturally made its way to the island shores via the sea. Long before its commercialization in the mid-19th century, it played a vital role in Vanuatu's culture and daily life, serving as a crucial source of nutrition, a remedy for skin ailments, and having numerous domestic applications (Department of Agriculture and Rural Development, 2016). However, over the past decade, the production of coconut in Vanuatu has seen a period of stagnation, as illustrated in Figure 4. This figure provides a visual representation of the recent trends in coconut production, highlighting the challenges faced by the industry in maintaining its growth and productivity.

Figure 4. Production data for coconut in Vanuatu



Source: FAO (n.d.).

A growing number of small to medium scale artisanal manufacturers in Vanuatu are producing VCO for domestic tourist markets or high-value international markets. Alongside, the demand for crude coconut oil (CNO) has been increasing both domestically and internationally with growing interest in the production of biofuel.⁹ The majority of Vanuatu's smallholder coconut farmers focus on primary processing, mainly producing copra, which is largely exported in bulk. Additionally, CNO, derived from copra, is marketed within the country for biofuel and also exported.

The coconut sector plays a crucial role in Vanuatu's economy. Through the different products and roles that the sector offers, it supports around 80 per cent of the rural population (UNCTAD, 2016). The coconut sector is the second largest contributor to foreign exchange earnings and also contributes 45 per cent to the GDP (Garae, 2017). However, there has been a noticeable shift in its export contributions; from 2012 to 2015, copra and coconut oil comprised roughly 20 per cent and 18 per cent of total exports, respectively. In contrast, by 2021, their contribution to the total exports had dropped to 15 per cent for copra and just 2 per cent for coconut oil (Vanuatu National Statistics Office, 2022). The major export destinations for coconut-based products include the Philippines, Japan, Fiji, and Europe (UNCTAD, 2020).

UNCTAD's analysis of the coconut oil value chain in Vanuatu¹⁰ highlights the potential for organic certification to gain more traction. This can be achieved by (1) **reducing barriers to third-party certification** and (2) **establishing a national multi-stakeholder managerial body to oversee organic certification processes**. This approach could significantly enhance the viability and value of the coconut sector in international markets.

⁹ More information at: <http://copsl.com.au/our-production/>

¹⁰ UNCTAD's assessment of organic certification in the coconut oil value chain in Vanuatu undertaken under the Project "Fostering green exports through Voluntary Sustainability Standards" and the update of aforementioned assessment (UNCTAD, 2020) undertaken under the MSG Green Trade Project.

4. Synergistic linkages in green trade: Leaving no one behind

Synergistic linkages between the promotion of green trade through NTMs and organic certification align closely with Vanuatu's national sustainable development strategies. These strategies particularly resonate with the "Leaving No One Behind" principle, a core element of the SDGs, and also align with Vanuatu's focus on inclusive and equitable growth. This section explores the interplay between green trade and rural communities, women empowerment, and youth engagement, underscoring their significance within the context of Vanuatu's sustainable development framework, where inclusivity is underlined.

First, rural communities are central to green trade promotion. Rural communities represent 74 per cent of Vanuatu's population (World Bank, 2023a) and play a pivotal role in agriculture, which accounts for about 21 per cent of the country's GDP (World Bank, 2023b). In particular, the coconut sector supports 80 percent of the rural population and contributes to a large share of exports, despite a downwards trend. Promoting green trade through NTMs and organic certification in agriculture can hence significantly contribute to achieving SDG 2 (Zero Hunger) and SDG 12 (Responsible Consumption and Production). More specifically, promoting these measures in the coconut sector can encourage professionalization of the sector and enhance product quality. In turn, this can foster trade opportunities and revive exports of coconut products. Green trade promotion in agriculture, and in the coconut sector more specifically, can hence be a leverage for socio-economic development of rural communities, in line with Vanuatu's national development priority to "Strengthen Rural Communities" (ECO 3).

Second, green trade policies can further encourage women's empowerment and help achieve Vanuatu's national development priorities on "Social Inclusion" (SOC 4) and "Creating jobs and business opportunities" (ECO 4). Green trade policies can generate economic opportunities enhancing both women's participation as well as revenues and encouraging skill development. In coconut production more specifically, organic certification and the ensuing benefits can empower women especially as they play an important role in production and processing into VCO but also in management and supervisory activities (UNCTAD, 2020). Certification can hence support their professionalization in skill areas such as administrative and management tasks and open opportunities for their participation in higher value processing activities.

Third, the promotion of green trade in agriculture presents synergies with engaging youth for the future. The youth play a vital role in innovation such as adopting VSS and implementing sustainable production practices through their energy, adaptability, and digital proficiency. Youth participation can hence contribute to the diversification of agriculture by exploring new crop varieties, markets, and value-added agricultural activities. Their engagement not only benefits the agricultural sector and their long-term economic opportunities but also aligns with Vanuatu's national development priorities on "Social Inclusion" (SOC 4) and "Creating jobs and business opportunities" (ECO 4). Green trade policies can hence foster opportunities for engaging and empowering the youth by calling for adaptation and innovation.

While green trade policies present potential synergies with the "Leaving No One Behind" principle and Vanuatu's national development priorities of inclusivity through fostering opportunities to enhance rural inclusion, women empowerment and youth engagement, several challenges remain and need to be addressed for these synergies to materialize. In particular, many rural communities in Vanuatu face barriers related to inadequate infrastructure and limited access to markets. Green trade policies may not yield their full potential if rural areas lack proper transportation, storage facilities, and market linkages. Addressing these deficits is crucial to unlock the benefits of green trade for these communities. In addition, gender inequalities remain pervasive in Vanuatu and ensuring equitable participation of women in green trade initiatives requires targeted efforts, capacity-building, and policy adjustments to promote gender balance in the sector. Lastly, encouraging youth to stay in Vanuatu and in rural areas and actively engage in agriculture and green trade is a complex challenge. Many young people migrate overseas in search of

better economic opportunities and modern lifestyles. Retaining youth in Vanuatu's rural areas necessitates a multifaceted approach, which may involve providing them with education, training, and access to modern amenities while preserving their cultural heritage.

By addressing these challenges and embracing inclusivity, green trade in Vanuatu can become a pivotal tool for enhancing rural livelihoods, empowering women, and engaging the youth in shaping a more sustainable and equitable future, while advancing the nation's commitment to the SDGs and its "Leaving No One Behind" principle as well as achieving its national development priorities.

5. The way forward

The previous sections discussed how Vanuatu can employ NTMs and VSS to enhance green trade, while also supporting the sustainable development priorities set forth in the 2030 Agenda, aligning with the country's own sustainable development strategies. Additionally, the prior section examined the interaction between green trade promotion and its effects on rural communities, women, and youth, highlighting both opportunities and challenges. This section will outline three key recommendations for promoting green trade through NTMs and VSS and how these can synergize with efforts to achieve the goals of Vanuatu 2030 – The People's Plan and the Vanuatu National Coconut Strategy 2016-2025 (please refer to annex 1 for the matrix of synergistic linkages and annex 2 for a summary of the policy recommendations):

I. **Leverage NTMs to improve the quality of vegetable oils, ensuring consumer health and enhancing export potential.**

This recommendation supports the national aims related to ensuring access to nutritious food (ENV 1), stimulating economic diversification (ECO 1), and creating an improved business environment (ECO 4).

Action recommendation: **Revise the Food (Control) Act and Regulation to include the CODEX Alimentarius Standard for Named Vegetable Oils.** The inclusion of the CODEX Standard will ensure the quality of vegetable oils for both domestic consumption and exports, guaranteeing consumer safety. It is noteworthy that the CODEX Standard for Named Vegetable Oils (CXS 210-1999) contains requirements of coconut oil and virgin (coconut) oils.¹¹ This Standard addresses characteristics of coconut oil in general, in comparison to organic production process. This Standard will ensure the minimum marketable quality of VCO to international buyers, as well as protecting domestic consumers' health.

Which bodies/organizations can help:

- In Vanuatu: Department of Agriculture and Rural Development, Vanuatu Agriculture Research and Technical Centre (VARTC), Vanuatu export promotion agencies (for example Vanuatu Copra and Cocoa Exporters (VCCE)), Producer associations and cooperatives active in Vanuatu,
- Other regional and international organizations: POETCom, SPC, UNCTAD, ITC, UNDP, FAO

II. **Promote sustainable agriculture practices and expand market opportunities.**

This recommendation aligns with multiple aspects of the national plan, including increasing agricultural food production using sustainable practices (ENV 1, ENV 2), broad-based growth (ECO 3), and productive employment opportunities (ECO 4).

Action recommendation: **Align the GAP code with international standards and encourage VSS adoption.** Establishment of GAP code is one of the proposed activities in Vanuatu National Coconut Strategy 2016-2025. Aligning the GAP code¹² with international standards will facilitate sustainable agriculture for greater market access and better prices. It will also contribute to ensuring food security, job creation, and inclusive rural development. Using elements from

¹¹ https://www.fao.org/fao-who-codexalimentarius/sh-proxy/en/?lnk=1&url=https%253A%252F%252Fworkspace.fao.org%252Fsites%252Fcodex%252FStandards%252FCXS%2B210-1999%252FCXS_210e.pdf, amended lastly in 2022.

¹² See: <https://pafpnet.spc.int/attachments/article/651/Vanuatu%20National%20Coconut%20Strategy%202016-2025.pdf>

standards like Organic, Global GAP and Fair trade can aid in the development of this GAP code. This will further promote sustainable agriculture.

Which bodies/organizations can help:

- In Vanuatu: Department of Agriculture and Rural Development, Vanuatu National Statistics Office, Vanuatu Customs and Inland Revenue, Vanuatu Agriculture Research and Technical Centre (VARTC), Vanuatu Copra and Cocoa Exporters (VCCE), Producer associations and cooperatives in Vanuatu
- Other regional and international organizations: POETCom, SPC, UNCTAD, ITC, UNDP, FAO.

III. **Facilitate decision-making by streamlining data on NTMs and VSS for policymakers and the private sector.**

This recommendation is consistent with the national goals for strengthening research, data, and statistics (SOC 6) and increasing access to information technologies (ECO 2).

Action recommendation: **Systemically publish trade-related regulations.** Streamlined and transparent access to regulatory information will allow for more informed policymaking. It will also reduce compliance challenges for the private sector. At the time of NTM data collection, Vanuatu's regulatory documents (Act, Order, Regulation, etc.) were published in each ministry's website. In the absence of official centralized regulatory source, Pacific Islands Legal Information Institute (PACLII), a regional database run by a university, plays a limited role due to incomprehensive information coverage. Better access to regulatory information will allow policymakers and researchers to undertake policy review across individual ministries' domains, as well as reducing the cost of private sector to find the information on and comply with regulations.

Which bodies/organizations can help:

- In Vanuatu: Attorney General State Law Office, Department of Agriculture and Rural Development, Vanuatu National Statistics Office, Vanuatu Customs and Inland Revenue.
- Other regional and international organizations: UNCTAD, WTO, UNSD, ESCAP, FAO.

By integrating these policy recommendations into their policies to implement sustainable development plan, Vanuatu can harness the potential of NTMs and VSS to advance its development priorities, foster sustainable practices, and create an enabling environment for green trade that aligns with the SDGs.

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Annex 1

Table 1. Matrix of national synergistic linkages between green trade policy recommendations and Vanuatu National Sustainable Development Plan

National Development Strategy Policy Recommendation	SOC	ENV		ECO			
	6	1	2	1	2	3	4
I. Leverage NTMs to Improve the Quality of Vegetable Oils, Ensuring Consumer Health and Enhancing Export Potential		ENV 1.1 [...] access to nutritious food ENV 1.3 Reduce food imports [...]		ECO 1.5 Increase access [...] for Vanuatu exports ECO 1.7 Stimulate economic diversification [...]			ECO 4.1 Create an improved business environment with a stable regulatory framework [...] ECO 4.3 Increase production and processing of niche commodities [...]
II. Promote Sustainable Agriculture Practices and Expand Market Opportunities		ENV 1.1 Increase agricultural [...] food production using sustainable practices [...]	ENV 2.1 Increase access to knowledge, expertise [...] to enact our blue-green growth strategies	ECO 1.5 Increase access to markets for Vanuatu exports	ECO 2.9 Increase use of and access to information and communications technologies, including on-line government services	ECO 3.1 Promote broad-based growth by strengthening linkages between tourism, agriculture [...]	ECO 4.3 Increase production and processing of niche commodities, and value addition to commodities [...] ECO 4.5 Increase the number of decent, productive employment opportunities, particularly for young women and men and people with disabilities
III. Facilitate Decision-making by Streamlining Data on NTMs and VSS for Policymakers and the Private Sector	SOC6.7 Guarantee the public's right to information SOC6.9 Strengthen research, data and statistics for accountability and decision-making				ECO 2.9 Increase use of and access to information and communications technologies, including on-line government services	ECO 3.5 Improve the collection, analysis and dissemination of market data on the rural economy and communities	

Annex 2

Table 2. Policy recommendations Vanuatu

Objective	Policy options	Workplan steps	Responsible entities	Expected benefit
I. Leverage NTMs to Improve the Quality of Vegetable Oils, Ensuring Consumer Health and Enhancing Export Potential	1. Revise the Food Act to include the CODEX Alimentarius Standard for Named Vegetable Oils.	1. Review the existing Food Act to identify areas for the inclusion of the CODEX Standard. 2. Conduct stakeholder consultations to gather input. 3. Draft and submit the amendments to the legislative body. 4. Upon approval, implement the revised Act. 5. Establish monitoring mechanisms to guarantee seamless introduction.	Coordinating Entity: Department of Agriculture and Rural Development Involved Entities: Stakeholders in the oil industries (VPPA, Farmers, Exporters) Vanuatu bureau of standards	Ensure the quality of VCO for both domestic consumption and exports, guaranteeing consumer safety.
II. Promote Sustainable Agriculture Practices and Expand Market Opportunities	2. Align the GAP code with international standards and encourage VSS adoption.	1. Initiate farmer training on organic certification benefits. 2. Check where the planned GAP establishment stays. 3. If the establishment of GAP is still within the government plan, develop the GAP code according to international standards and Vanuatu's specific conditions. 3. Collaborate with bodies like Organic, Global GAP, and Fair Trade. 4. Revise the Pesticide Act and develop the Fertilizer Act to consider distinct organic farming materials to support the GAP code. * The recommendation in the 2020 Organic Assessment of VCO, of establishing a national management body still holds.	Coordinating Entity: Department of Agriculture and Rural Development Involved Entities: Vanuatu Agriculture Research and Technical Centre (VARTC) Vanuatu Copra and Cocoa Exporters (VCCE) Producer associations and cooperatives in Vanuatu POETCom, SPC, UNCTAD, ITC, UNDP, FAO	Facilitate sustainable agriculture for greater market access, better prices, ensuring food security, job creation, and inclusive rural development.
III. Facilitate Decision-making by Streamlining Data on NTMs and VSS for Policymakers and the Private Sector	3. Systemically publish trade-related regulations.	1. Review publication systems across ministries. 2. Agree on a centralized publication format. 3. Draft a detailed plan. 4. Seek and secure funding. 5. Implement the chosen publication system.	Coordinating Entity: Attorney General State Law Office Involved Entities: Department of Agriculture and Rural Development Vanuatu National Statistics Office Vanuatu Customs and Inland Revenue UNCTAD, WTO, UNSD, ESCAP, FAO	Streamlined and transparent access to regulatory information for more informed policymaking and reduced private sector compliance challenges

Annex 3

Table 3. Mapping of the National Sustainable Development Strategies of Vanuatu with the SDGs

SDGs		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
National goals																		
SOC 1	Vibrant cultural identity		X		X							X						
SOC 2	Quality education				X													
SOC 3	Quality health care			X														
SOC 4	Social Inclusion					X			X		X	X	X					
SOC 5	Security, peace and justice																X	
SOC 6	Strong and effective institutions																X	X
ENV 1	Food and nutrition security			X									X					
ENV 2	Blue-green economic growth							X							X	X	X	
ENV 3	Climate disaster resilience													X				
ENV 4	Natural resource management															X		
ENV 5	Ecosystems and biodiversity															X		
ECO 1	Stable and equitable growth	X							X									
ECO 2	Improve infrastructure						X	X		X								
ECO 3	Strengthen rural communities	X																
ECO 4	Create jobs and business opportunities	X																

Source: Vanuatu's goals are taken from: <https://www.pacificclimatechange.net/sites/default/files/documents/national-sustainable-development-plan-2016-2030.pdf>.



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