For almost 40 years, IFAD has been financing initiatives in the Pacific to help rural people improve their lives. In recent years, resources dedicated to the Pacific have grown as IFAD has expanded its outreach and membership in the region. Fourteen Pacific Island countries (PICs) are currently members of IFAD: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Eradicating rural poverty in the Pacific Islands

The geographic isolation, small size and scattered nature of the Pacific Islands contribute to the vulnerability of their people, especially rural dwellers who live in remote areas and outer islands, where access to information, transport, health and education services is poor to non-existent. These conditions have led to migration, particularly by working-age people, who leave behind an ageing population. When extreme weather events and natural disasters occur, losses to rural communities are disproportionately higher than for urban dwellers as rural infrastructure and livelihoods are far less resilient. Access to disaster response and recovery services, or to socio-economic assistance, is usually constrained by poor connections with the main centres.

Hardship and poverty, accompanied by scarce economic opportunities and social exclusion, prevail for many Pacific peoples. It is estimated that one in four people are living below the average national poverty line.
Small-scale traditional agriculture dominates the rural landscape, with households mainly practicing subsistence farming. Food production is low as farming techniques are basic and small plots limit opportunities for scaling production. Productivity is further inhibited by pests and diseases, limited labour, unavailability of farm machinery and lack of seeds and planting materials.

In the face of low productivity, outer-island residents tend to use limited cash resources to purchase low-cost foodstuffs, which are often of little nutritional value. This is leading to poor public health and an increase in non-communicable diseases. Seven PICs are among the 20 countries with the world’s highest mortality from type 1 diabetes, and childhood obesity and stunting are also of concern. The region is experiencing a triple burden of malnutrition in the form of obesity, undernutrition and micronutrient deficiencies.

Against this backdrop, IFAD has been working with Pacific governments, regional and international partners, and Pacific Island communities to support rural livelihoods, increase household incomes and strengthen community resilience.

**IFAD’s approach in the Pacific Islands**

IFAD’s current approach in the Pacific Islands centres on building partnerships. Since 2013, the amount of IFAD resources provided for projects and programmes in the Pacific has grown tenfold, from around US$7.5 million to about US$82 million. When considered along with projects now in the pipeline, IFAD resources committed to new projects and those under implementation are expected to reach US$99 million by the end of 2019. This portfolio is leveraging about US$189 million in investment from international and domestic partners. Every US$1 invested by IFAD has produced about US$2.24 in additional investment.

IFAD intends to further expand its approach by:

- providing more of its own financial resources for joint investments
- attracting new partners and additional financing to agriculture and rural development
• providing beneficiaries with greater access to technology and knowledge from partners in other regions
• facilitating dialogue and joint initiatives in the agricultural sector.

IFAD financing will be directed towards supporting Member States in addressing the principal challenges facing rural people in terms of food and nutrition security, and sustainable livelihoods. Investments will target nutrition-sensitive agriculture and value chains, building resilience to climate change, and fostering social inclusion and youth employment. These funds will support Pacific Island governments in their efforts to promote production, consumption and marketing of local foods in sustainable ways, and increase farm and non-farm income sources and employment opportunities.

In supporting its PIC members, IFAD will aim to enhance the access of smallholders and remote, disadvantaged populations to markets and finance, strengthen value chains and promote smallholder business opportunities. The Fund’s people-focused approach centres on small-scale farmers and fishers, in particular women and youth.

A key focus of IFAD’s partnership strategy for the PICs is to leverage resources to scale up proven practices and techniques at the national level and between countries at the regional level. The Fund has thus been forging alliances with institutions that can scale up positive change, such as the Ministries of Agriculture in Tonga, Fiji and Papua New Guinea, which are expanding on approaches piloted by IFAD, replicating them nationwide.

### Ongoing operations

<table>
<thead>
<tr>
<th>Project</th>
<th>Countries</th>
<th>IFAD Financing (US$)</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outer Islands Food and Water Project</td>
<td>Kiribati</td>
<td>3 million</td>
<td>2014-2019</td>
</tr>
<tr>
<td>Fiji Agricultural Partnerships Project</td>
<td>Fiji</td>
<td>3.52 million</td>
<td>2015-2020</td>
</tr>
<tr>
<td>Tonga Rural Innovation Project – Phase II</td>
<td>Tonga</td>
<td>3 million</td>
<td>2017-2023</td>
</tr>
<tr>
<td>Rural Development Programme – Phase II</td>
<td>Solomon Islands</td>
<td>4.5 million</td>
<td>2015-2020</td>
</tr>
<tr>
<td>Productive Partnerships in Agriculture Project</td>
<td>Papua New Guinea</td>
<td>35.96 million</td>
<td>2010-2019</td>
</tr>
<tr>
<td>Markets for Village Farmers Project</td>
<td>Papua New Guinea</td>
<td>28.97 million</td>
<td>2018-2024</td>
</tr>
<tr>
<td>Promoting Nutritious Food Systems in the Pacific</td>
<td>Fiji, Kiribati, Marshall Islands, Samoa,</td>
<td>2 million</td>
<td>2016-2020</td>
</tr>
<tr>
<td></td>
<td>Solomon Islands, Tonga, Vanuatu</td>
<td></td>
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</tbody>
</table>

**Outer Island Food and Water Project (Kiribati)**

This project is implemented by the Government of Kiribati, in four outer islands of the Gilbert Islands group, in partnership with the Australian Centre for International Agricultural Research.

It aims to build the capacity of communities to plan and implement development interventions, particularly in household food production and access to clean water. The project has facilitated the formulation of 44 community development plans that have increased household production of fruits, vegetables, poultry, and root and tree crops, and improved the diets of households through an increased supply of calories and nutrients from local foods. The project has also constructed or rehabilitated 278 small-scale rainwater harvesting structures to improve drinking water supplies. It benefits about 10,000 people.

**Fiji Agricultural Partnerships Project**

This project finances the development of partnerships between producers, traders, processors, wholesalers and retailers of fresh fruits and vegetables from the remote highlands of Fiji’s Viti Levu Island, providing income and employment for farmers. It benefits about 10,000 people in the project area. The initiative scales up a previous, successful IFAD project, Partnership in High Value Agriculture, under which 1,800 farmers from 41 villages benefited from technical training to support their transition to commercial agriculture.
Tonga Rural Innovation Project – Phase II
This project is being implemented in partnership with the Tongan non-governmental organization MORDI Tonga Trust. It scales up Phase 1, with an additional 62 communities benefiting. Phase II will continue to focus on improving livelihoods and helping communities become more resilient to the effects of climate change and extreme weather. The project currently benefits 122 communities, targeting over 5,000 households.

Rural Development Programme – Phase II (Solomon Islands)
This programme is financed in partnership with the World Bank, Australian Aid and the European Union. It funds commercial partnerships between small-scale farmers and other stakeholders, including advisory service providers, processors and exporters. It also assists communities with disaster recovery and the expansion of small-scale infrastructure such as water supply systems. It benefits more than 300,000 people in rural areas in outer islands.

Productive Partnerships in Agriculture Project (Papua New Guinea)
This project is financed in partnership with the World Bank and the Department of Agriculture and Livestock. It improves the livelihoods of smallholder coffee and cocoa producers by promoting partnership agreements with agribusinesses, strengthening the coffee and cocoa industries, and increasing smallholders’ access to markets through road improvement. It also provides smallholder farmers, producers, women and young people with training in more efficient, market-responsive and sustainable production practices.

Markets for Village Farmers Project (Papua New Guinea)
This project, implemented in partnership with the Department of Agriculture and Livestock, improves the livelihoods of farming households in six provinces of Papua New Guinea. It supports the development of sustainable business partnerships, giving farmers secure and remunerative market outlets and buyers a reliable and consistent supply of vegetables and fresh produce. The project benefits more than 25,000 farming households (approximately 125,000 people).

Promoting Nutritious Food Systems in the Pacific (Fiji, Kiribati, Marshall Islands, Samoa, Solomon Islands, Tonga, Vanuatu)
This regional grant facilitates the establishment of a conducive policy and regulatory environment for local food crops and fisheries, and promotes private-sector investment in sustainable, nutrition-smart value chains. It also raises awareness of the potential of local foods in rural development and nutrition enhancement, and supports informed policy dialogue for public-private-producer partnerships.