



PACIFIC ISLANDS FORUM

PACIFIC  
AID FOR  
TRADE  
STRATEGY

2026  
2030

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## Foreword by Secretary General of the Pacific Islands Forum

On 18 July 2025, Pacific Islands Forum Trade Ministers endorsed this next iteration of the Pacific Aid-for-Trade Strategy (PAfTS) 2026–2030. The Ministers' decision underscores the continued importance of aid-for-trade in advancing regional economic development and strengthening resilience across our Blue Pacific region.

In an increasingly complex and rapidly evolving global trade and development landscape, addressing trade-related constraints through coordinated efforts and targeted implementation of regional priorities remains critical to facilitating the integration of Forum Members into the global economy.

This iteration of the PAfTS builds on the foundations established by the 2020–2025 Strategy. It reaffirms Forum Members' collective commitment to strengthening trade as a driver of sustainable and resilient economic development, while integrating cross-cutting priorities, including the important linkages between trade and the environment.

The 2050 Strategy for the Blue Pacific Continent (2050 Strategy) is the overarching blueprint to advance Pacific regionalism, economic cooperation, and integration for the region's long-term well-being and prosperity. The 2050 Strategy and its Implementation Plan covers seven thematic areas, including Resource and Economic Development (RED).

Developed on the foundational principles of economic and financial integration and cooperation, the Pacific

Roadmap for Economic Development (PRED) will advance the implementation of Regional Collective Actions under the RED thematic area of the 2050 Strategy Implementation Plan, while fostering greater policy cohesion to address the many challenges facing the Pacific region.

The PAfTS is captured under the PRED in the context of supporting efforts to deepen and diversify markets, and to increase trade, export, and investment flows between Pacific Island Countries and international markets.

The successful implementation of the PAfTS depends on the active and coordinated engagement of all stakeholders, including Forum Members, the Pacific Islands Forum Secretariat, development partners, and implementing partners.

As Secretary General of the Pacific Islands Forum, I am honoured to introduce this next iteration of the Pacific Aid-for-Trade Strategy. While concise in form, it provides a strategic and practical framework to guide collective action over the period 2026–2030. I extend my sincere appreciation to all stakeholders for their continued partnership and commitment to the effective implementation of the PAfTS 2026–2030 in support of a resilient and prosperous Blue Pacific.

A handwritten signature in blue ink, appearing to read 'Baron Divavesi Waqa'. The signature is stylized and fluid.

**Baron Divavesi Waqa**

# Executive Summary

The Pacific Aid-for-Trade Strategy (PAfTS) 2026–2030 builds on the foundations of the 2020–2025 Strategy and reaffirms Forum Members' commitment to strengthening trade as a key driver of sustainable and resilient economic development. Grounded in the 2050 Strategy for the Blue Pacific Continent, PAfTS 2026–2030 consolidates existing initiatives and introduces one new priority—trade and environment—while maintaining focus on key areas such as e-commerce, services, trade facilitation, quality infrastructure, trade agreements, connectivity, and priority value chains including kava and apiculture.

The Strategy promotes a Member-driven and coordinated approach to regional Aid-for-Trade efforts, guided by principles of strategic impact, prioritisation, ownership, and effective use of existing mechanisms. Implementation will be supported by regional strategies in each priority area, monitored through tailored M&E frameworks, and reported to Members annually.

## 1. The Pacific Aid-for-Trade Strategy 2020-2025

The Pacific Aid-for-Trade Strategy (PAfTS) 2020–2025 approved in 2020 by Forum Trade Ministers was underpinned by the Blue Pacific narrative, which called for Pacific nations to act collectively as one Blue Continent. By focusing on strategic regional impact, the strategy prioritised a limited number of areas, including services, connectivity, e-commerce, and deepening Forum markets via trade facilitation, quality infrastructure, trade policies and trade agreements.

## 2. Progress 2020 – 2025 and recommitment to existing priorities

Since the adoption of the PAfTS 2020–2025, the Pacific Islands Forum Secretariat (PIFS) has made significant progress in operationalising its key priorities through the development of targeted regional initiatives: the Pacific Quality Infrastructure Initiative (2017–present), Pacific E-commerce Initiative (2019–present), Pacific Trade Facilitation Initiative (2020–present), and Pacific Trade in Services Initiative (2023–present).

In the area of connectivity, the Forum facilitated the development of the Pacific Labour Mobility Principles. The trade agreements work programme — long a core function of PIFS since its inception — continued at both multilateral<sup>1</sup> and regional<sup>2</sup> levels.

In addition to these cross-sectoral initiatives, stakeholders' demand prompted the establishment of two sectoral workstreams aimed at supporting holistic interventions across key value chains: the Pacific KAVA Development Initiative (2021–present) and the Pacific Apiculture Initiative (2023–present).

<sup>1</sup> World Trade Organization (WTO) and World Intellectual Property Organization (WIPO)

<sup>2</sup> European Union (EU)-Pacific Interim Economic Partnership Agreement (EPA) and Pacific Island Countries Trade agreement (PICTA)

### 3. Purpose of New Strategy

A new regional development strategy, the 2050 Strategy for the Blue Pacific Continent, was endorsed by Forum Leaders during the implementation period of the PAFTS 2020-2025. The 2050 Strategy outlines a vision for a “resilient Pacific region of peace, harmony, security, social inclusion, and prosperity, where all Pacific peoples can lead free, healthy, and productive lives”. To achieve this vision, the 2050 Strategy proposes work across seven thematic areas.

Trade and investment are recognized as key contributors of the Thematic Area of Resources and Economic Development, which targets the establishment of a sustainable and resilient model of economic development for the Pacific region. The contribution of trade and investment to other Thematic Areas is also acknowledged, including People-Centered Development, Climate Change and Disasters, Ocean and Environment, and Technology and Connectivity.

The purpose of PAFTS 2026–2030 is therefore to promote a sustainable and resilient model of

economic development for the Pacific region by reaffirming and consolidating efforts around the identified priorities of e-commerce, connectivity, services, trade facilitation, quality infrastructure, trade policies and agreements, as well as the priority value chains such as kava and apiculture. Under the PAFTS 2026–2030 only one new priority, trade and environment, will be introduced.

These priorities will continue to be addressed through the forms of regionalism outlined in the Framework for Pacific Regionalism. In practice, each initiative will complement Members’ national reforms by delivering regional actions—tasks that a country would otherwise have to undertake alone, but which are carried out collectively with pooled resources. Regional actions can range from high-integration measures (e.g., regional laws or institutions) to lighter collaboration such as voluntary arrangements, consultative mechanisms, or shared technical-assistance programmes. By operating in this way, PAFTS ensures that regional Aid-for-Trade initiatives remain Member-driven, coordinated, and free of duplication.



## 4. Guiding Principles

The implementation of PAfTS 2026–2030 will remain grounded in the guiding principles that underpinned the 2020–2025 Strategy, while updating their application to reflect the evolving regional context.

### Strategic Regional Impact

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PAfTS continues to serve as a high-level strategic framework for advancing Aid-for-Trade priorities through collective regional action. It avoids overly prescriptive approaches, instead providing a framework that enables targeted, impactful interventions aligned with the 2050 Strategy for the Blue Pacific Continent.

### Ownership and Coordination

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The Strategy reaffirms the importance of strong member ownership, to be achieved through lean and effective governance mechanisms. At least one member-driven regional committee will be established to monitor and guide work in each of the key intervention areas. The PIFS, as Secretariat to each committee, will report annually to Forum Trade Officials and bi-annually to Forum Trade Ministers on progress of the various initiatives. This will ensure that member needs and experiences remain central throughout the Strategy period. The current overarching mechanisms – Aid-for-Trade Day and PAfTS Technical Working Group will be reviewed to ensure governance is streamlined.

### Prioritisation

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The new Strategy reaffirms the importance of focusing on a limited number of high-priority issues that can be effectively addressed through regionalism. The PAfTS recognises the need to focus on consolidating and strengthening current initiatives, rather than launching new initiatives.

### Promoting Gender Equality, Disability, and Social Inclusion (GEDSI)

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The PAfTS recognises the importance of supporting inclusive trade outcomes to achieve a sustainable and resilient model of economic development for the Pacific region. Where relevant and feasible, regional Aid-for-Trade initiatives will consider ways to improve the participation of women, youth, and persons with disabilities, drawing on available guidance and resources.

### Leveraging Existing Frameworks and Mechanisms

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The PAfTS provides a cohesive umbrella for regionally coordinated Aid-for-Trade interventions in key priority areas by leveraging the contributions of all relevant donor partners and implementing agencies.

### Private-Sector Engagement and PTI Coordination

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The PAfTS recognises that private enterprise is the engine of trade-led growth in the Pacific; accordingly, every Aid-for-Trade initiative will embed structured business participation throughout design, governance, implementation, and review, while coordinating closely with PTI so that policy reforms and investment-promotion efforts are fully aligned.



## 5. Key Intervention Areas



### Quality Infrastructure

Starting from a high position, exports of goods and services as a percentage of Gross Domestic Product (GDP) for Pacific Island Small States have been on a declining trend over the past 30 years—from 52 percent in 1990 to 31 percent in 2022. Improving the quality of Pacific goods and services is essential to reversing this trend. By promoting and ensuring compliance with relevant standards, the Pacific Quality Infrastructure Initiative lays the foundation for more competitive Pacific enterprises, as well as improved health and environmental outcomes in the region.

Following the conclusion of its first implementation phase (2020–2024)—during which 20 percent of agreed priority actions were fully implemented and 66 percent partially implemented—the Initiative will now focus on delivering the recommendations of the new Pacific Regional Quality Policy, to be finalised by the end of 2025.



### Pacific E-commerce Initiative

#### Electronic Commerce (E-commerce)

The partial or full digitisation of economic transactions—e-commerce—is a game changer for the Pacific. It helps reduce, partially or entirely, the geographic distance between Pacific producers and global consumers, lowers the capital needed to start productive ventures, and supports economic diversification by enabling the production and sale of goods and services over the internet.

As of the end of 2024, around 30 percent of the recommendations from the Pacific Regional E-commerce Strategy, endorsed by Ministers in 2022, have been implemented. Looking ahead, the Initiative will focus on updating this Strategy and continue supporting its implementation.



## Pacific Trade Facilitation

### Trade Facilitation

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Inefficient, excessive, and non-transparent border procedures add unnecessary time and cost to trading goods across borders. These barriers further isolate Forum Members, limiting the Pacific region's economic potential. According to the UN Global Trade Facilitation Survey, the Pacific lags behind in streamlining these procedures. In 2023, the trade facilitation implementation rate for Pacific Island Developing Economies stood at 42 percent - well below the global average of 69 percent.<sup>3</sup> Implementation of the recommendations outlined in the Pacific Regional Trade Facilitation Strategy, endorsed by Ministers in 2023, could improve about half of the measures covered by the UN Global Survey.

As of the end of 2024, implementation of the Strategy is moving its first steps. In the coming years, the Pacific Trade Facilitation Initiative will focus on supporting the implementation of the Strategy's recommendations across Member countries.



### Services

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Services are a major source of income and employment—including for women—a low capital-intensive sector well suited for Micro, Small and Medium Enterprises (MSMEs), and a key enabler of overall competitiveness. These features make services particularly relevant for Pacific Island Countries, where in 2023 they accounted for 56.4 percent of GDP,<sup>4</sup> 53.0 percent of total employment,<sup>5</sup> and 62 percent of female employment.<sup>6</sup> In terms of trade, services offer unique development opportunities. On the import side, removing restrictive regulations can unlock investments which are critical for broader economic growth. On the export side, beyond tourism, there is significant potential to embrace emerging sectors—particularly in the growing area of digitally enabled and digitally delivered services.

Looking ahead, the Pacific Trade in Services Initiative will focus on developing diagnostic studies on the trade in services landscape in Member Countries—Rapid Trade in Services Assessments (RTISAs)—and on formulating the first regional strategy.

3 <https://www.untsurvey.org/world>

4 <https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS?locations=S2>

5 <https://data.worldbank.org/indicator/SL.SRV.EMPL.ZS?locations=S2>

6 <https://data.worldbank.org/indicator/SL.SRV.EMPL.FE.ZS?locations=S2&view=chart>



### KAVA value chain

The Regional KAVA Development Strategy (RKDS) and its implementation plan launched in 2024 is designed to guide the sustainable growth and trade of KAVA. It provides a coordinated framework to support Pacific Island Countries (PICs) in strengthening the entire KAVA value chain—from production to export—while protecting its cultural value and heritage, its origins, and quality.

The RKDS directly contributes to the 2050 Strategy, supporting regional goals around economic resilience, livelihoods, and trade diversification. Post-2025, the Initiative will focus supporting its implementation, in particular sustainable production, strengthen quality assurance, improve market access, promote research, innovation and value-addition, private sector support and positive campaigning for KAVA.



### PACIFIC APICULTURE

### Apiculture value chain

Apiculture holds significant potential for sustainable development in the Pacific. Beekeeping can generate income, promote biodiversity, support food security through pollination, and offer export opportunities—even for small producers in remote areas.

Over the next three years, efforts will focus on the first three pillars of the PIFS' project aimed at strengthening the enabling environment for the honey and bee products value chain, namely assessing bee health status across the region, building the capacity of beekeepers, and establishing a regional governance mechanism. Based on the results achieved and the availability of resources, the remaining pillars—development of a regional database, establishment of a surveillance system, support to competent authorities, harmonisation of legislation, further capacity building, and formulation of a regional value chain strategy—will be pursued in subsequent years.





## Trade polices and trade agreements

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Trade agreements play a critical role in promoting stability, transparency, and predictability in international trade by establishing common rules and standards between partners. While all countries benefit from such frameworks, rule-based systems are especially valuable for smaller economies, which may otherwise struggle to safeguard their interests.

The Secretariat will continue to prioritise the provision of technical assistance and coordination services in support of trade agreements at both the multilateral and regional levels. At the multilateral level, the focus will remain on securing outcomes aligned with Pacific priorities, including agreements at the WTO on fisheries subsidies, agriculture, development, and selected plurilateral initiatives. In the context of WIPO, efforts will centre on concluding treaties that recognise and protect traditional knowledge, cultural expressions, and genetic resources.

At the regional level, the Secretariat will continue supporting the accession of interested countries to the interim EPA with the EU, while also assisting Members in fully benefiting from its implementation. Strengthening PICTA will remain a priority, with the aim of deepening intra-regional economic integration. New agreements which may benefit Members will continue to be explored.

Building on the outcomes of the Comprehensive Review of Trade Arrangements endorsed by Pacific ACP Trade Ministers at PACPTMM 2023 (Recommendations 1–2, 4, 6–7, 12, and 15–20), the Secretariat will support a more strategic and inclusive approach to trade agreements—prioritising ex-ante impact and cost assessments (Recs 1–2, 4), transparent and participatory processes (Rec 6), implementation readiness and resource planning (Rec 7), continued engagement in the multilateral trading system (Rec 12), and the integration of cross-cutting priorities such as gender (Rec 18), natural disasters (Rec 19), and digital trade infrastructure (Rec 20)



## Comprehensive Connectivity

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The geographic dispersion of Pacific Island Countries requires strengthening and enhancing transport, aviation, digital, energy and people-to-people connectivity to overcome isolation, promoting economic opportunity and strengthening regional cohesion. A preparatory regional meeting for Connectivity and Supply Chain was held in December 2024, with a view to engaging further with key stakeholders, technical agencies and partners in consolidating a way forward for the region.



## Trade and environment

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The Pacific region faces severe and interconnected environmental threats—including climate change, biodiversity loss, and pollution—which pose existential risks but also offer opportunities for sustainable economic transformation through nature-friendly trade policies, greener value chains, and environmentally sound technologies.

Given the critical importance of the trade and environment agenda for Pacific Leaders, a Trade and Environment Strategy will soon be developed. Recommendations from this Strategy will be integrated into existing initiatives rather than establishing a separate programme. This approach ensures that environmental considerations are mainstreamed across all relevant Aid-for-Trade initiatives, enabling a coherent and unified effort to support sustainable and resilient development in the Pacific region.



## 6. Implementation, Coordination and Monitoring and Evaluation

Implementation of the Pacific Aid-for-Trade Strategy will be guided by and measured through the regional strategies developed for each of its priority areas. These strategies will be monitored using tailored monitoring and evaluation (M&E) systems, with progress reported to Members at least annually. These regional strategies serve as tools to coordinate and align the efforts of development partners and implementing agencies in the various priority areas. Monitoring frameworks for the projects pursued under the strategies will, where feasible, reflect GEDSI considerations, including disaggregated data to support inclusive analysis.







