

Analysis of the poultry value chain in the Overseas Countries and Territories of New Caledonia – French Polynesia – Wallis and Futuna

Value chain analyses assist in informing policy dialogue and investment operations. They help the understanding of how agricultural development fits within market dynamics. They permit an assessment of the value chains' impact on smallholders, businesses, society and environment.

The European Commission has developed a standardised methodological framework for analysis (<https://europa.eu/capacity4dev/valuechain-analysis-for-development/vca4d-/documents/methodological-brief-eng>). It aims to understand to what extent the value chain allows for inclusive economic growth and whether it is both socially and environmentally sustainable.

The development of the sector is shaped by the highly specific context of small to very small island economies characterised by their small populations (between 260,000 and 280,000 inhabitants in New Caledonia and French Polynesia, 11,000 in Wallis and Futuna), geographical remoteness, a very high dependence on imports, and a small number of economic operators competing fiercely in narrow consumer markets. The three OCTs do, however, differ significantly in terms of land area (18,600, 4,200 and 142 km² respectively), economic base, population distribution and land tenure (customary, private and state-owned land) and institutional organisation (a high degree of autonomy and local governments in New Caledonia and French Polynesia; direct administration and the role of traditional chiefdoms in Wallis and Futuna).

Background to the poultry sector

The situation in the poultry sector varies greatly depending on the territory and the value chain (eggs or broiler chickens). Whilst the three OCTs are self-sufficient or close to self-sufficiency in eggs, there is massive dependence on imports for chicken (almost exclusively in the form of frozen meat), apart from a small, marginal domestic production: there is no production in Wallis and Futuna; production is in its infancy in French Polynesia; only New Caledonia has a small local production that covers 8% of the demand for chicken but the entirety of the demand for fresh chicken.

The food sector plays a significant role in the economy of each territory, as food products are the largest category of imports in French Polynesia and Wallis and Futuna (around 25% of the total), with animal protein imports accounting for a major share (25 to 30%), particularly poultry meat. The situation in New Caledonia is different, as the country's geographical size has enabled the development of a more diversified agricultural economy, notably cattle and pig farming. Food products account for 15% of total imports (ranking third), with poultry imports playing a significant role (6% of the total but 55% of imported meat). In all three territories, food is the largest item of household expenditure.

Whilst poultry farming features prominently in sectoral strategies, the public authorities have not intervened directly in the development of poultry production. This relies on private initiative, apart from aid to a few farms in Wallis and Futuna and support for a farmers' group in New Caledonia. Public intervention is indirect through regulations, market regulations and non-farm-specific support measures (particularly investment). Recent international crises (Covid-19, animal diseases, conflicts), the effects of climate change and growing public health issues linked to diet (diabetes, obesity) have, however, led to a growing awareness of the vulnerability of local

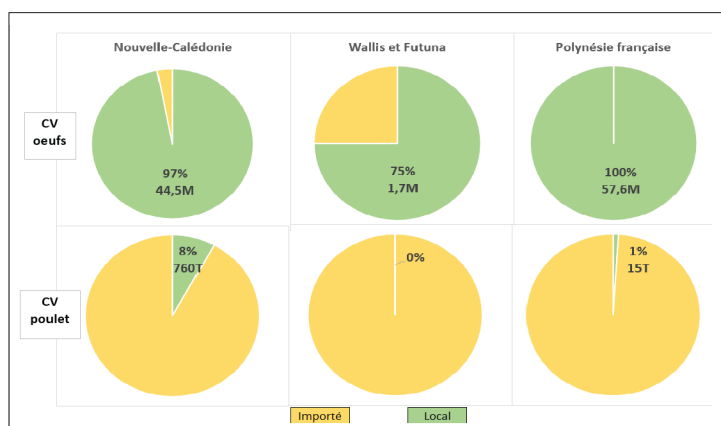


Figure 1. Coverage rate (in %) and egg production (in millions and chicken production (in tonnes) in 2023

supply chains, the importance of a minimum level of food self-sufficiency, a healthy diet and environmentally friendly production. Public authorities have recently developed strategies aimed at transforming their food systems and improving their resilience.

EU intervention

The European Union's intervention is part of this approach. It supports regional initiatives through several programmes, notably the Regional Programme to Support the Environment and Sustainable Management of Natural Resources. Funded by the 11th EDF, this will be followed by a new regional programme on the 'blueing and greening of food systems'. Under the 11th EDF, the sector benefited from the PROTEGE regional project, worth €36 million, which promotes climate resilience and sustainable practices. In this context, the EU

Functional analysis

Poultry value chains (VCs) are characterised by the small number of stages between the farmer and the consumer, as the raw product from farms can be consumed directly after packaging in the case of eggs, and after slaughter, cutting and packaging in the case of broiler chickens. Processing is limited, with a small amount of egg products produced in New Caledonia and takeaway meals for the three OCTs, most often prepared in very small units. The few food processing industries primarily handle imported meat. There are virtually no wholesalers, and marketing takes place directly between producers and distributors – a sector dominated by supermarkets – and sometimes directly between farmers and consumers through local markets and home deliveries (Figure 2).

In all three territories, livestock farmers face almost total dependence on imports for their intermediate inputs: genetic material, animal feed, livestock equipment, veterinary products and packaging, which creates significant vulnerability in terms of costs and supply. There are two feed mills in New Caledonia and one in French Polynesia, all of which operate using imported raw materials. The exceptions

has notably supported the provision of mobile poultry houses to promote free-range farming and innovations in animal feed (incorporation of alternative proteins and plant by-products, and the development of a feed ration calculator).

The VCA4D study is funded by the European Commission. It aims to inform strategic thinking and guide policy dialogue on development options. The choice of the poultry sector responds to a specific request from the three territories.

Egg value chains

Production has seen sustained growth in New Caledonia and French Polynesia, with an increase in egg consumption linked to urban lifestyles and the relatively attractive price of protein in an inflationary environment. Eggs are often a loss leader for retailers. They are a highly valued local fresh produce due to the remote island location. This expansion has also benefited from strong market protection (24% customs duties and various taxes in New Caledonia) or total protection (a ban on imports in French Polynesia). Production growth has been slower in Wallis and Futuna due to the small size of the market, the very low number of farmers (which creates structural vulnerability in the event of technical or health incidents) and the costs associated with geographical isolation. Recent developments in production have improved coverage of the local market, particularly on the island of Wallis.

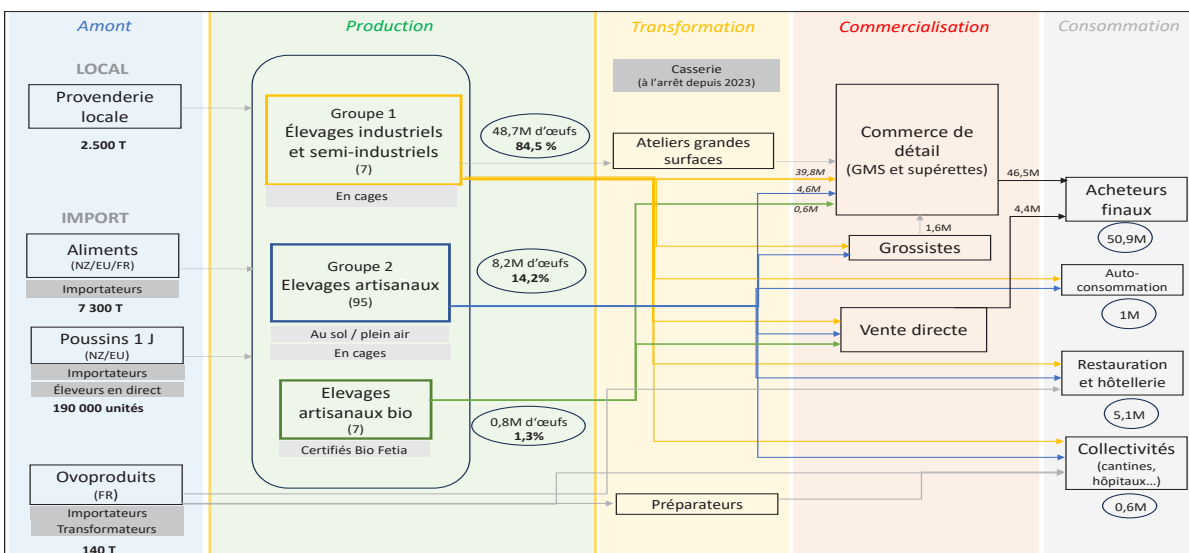


Figure 2. Estimated flows within the egg value chain. Example from French Polynesia

In the three OCTs, egg production is characterised by a high degree of concentration, with a few large industrial or semi-industrial farms housing several thousand to tens of thousands of laying hens, and by the predominance of cage production. There is a segment of small-scale farms (ranging from a few hundred to a few thousand laying hens), where barn and free-range rearing is more common. In French Polynesia, some industrial farms have begun the process of converting to barn production. In Wallis and Futuna, a small-scale free-range production system using mobile henhouses is developing. Organic egg production remains in its infancy in New Caledonia and French Polynesia. Subject to strict specifications under the Bio Pasifika label, it is benefiting from growing demand but is held back by the cost of imported organic feed (Figure 3).

The concentration of production facilities is accompanied by geographical concentration, with 95% of egg production in the Southern Province and the Greater Nouméa area in New Caledonia, 80% on the island of Wallis, and 85% in Tahiti in French Polynesia. In this territory, however, a quota system for laying hens per farmer helps to prevent an even greater spatial and economic concentration.

In this context, broiler chicken production is aimed solely at the small market for fresh chicken. In French Polynesia, production is marginal (around 15 t). It is carried out by four small to medium-scale farmers (up to 3,500 chickens) based in Tahiti and around ten very small farmers in the archipelagos. It accounts for only 15% of demand for fresh chicken, compared with 40% some fifteen years ago, due to the closure of certain farms. There is no market protection. Slaughter is carried out as a service by the sole local abattoir located in Tahiti.

In New Caledonia, by contrast, protection is virtually total, as imported fresh chicken is subject to a 410% tax (customs duties and other taxes). This policy decision by the public authorities has enabled the development of production, which now stands at 760 t and covers the entire fresh market. Production is carried out by around 200 farmers, who fall into four categories: integrated industrial farms with their own abattoirs, ranging from 5,000 to 30,000 places for the largest (equipped with a hatchery), which specialise in fast-growing chickens; large traditional farms (with 1,000 to 5,000 places) housed indoors but with access to free-range farming and the choice of small-scale farming with slower-

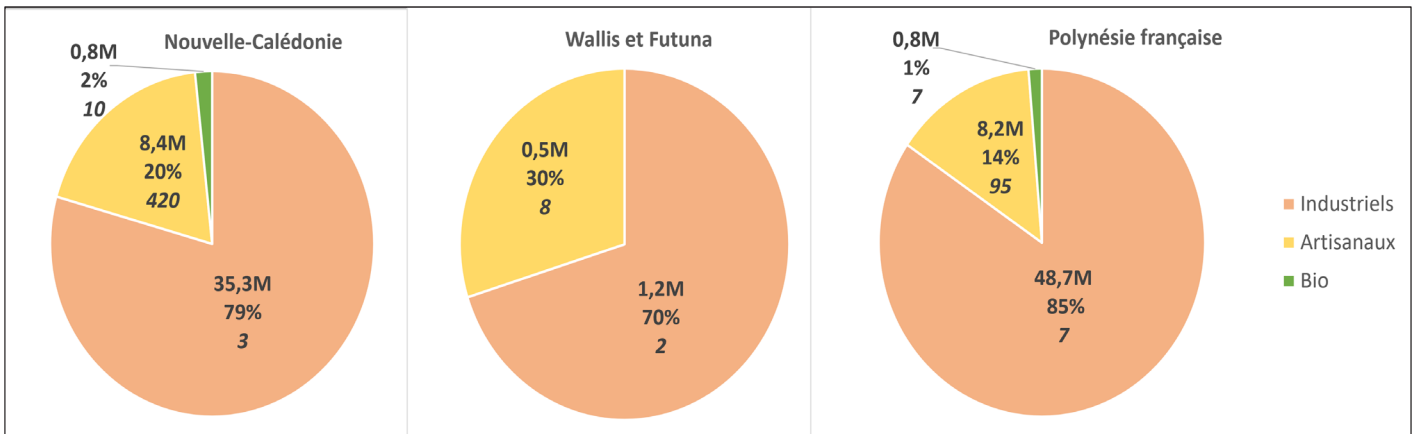


Figure 3. Breakdown of egg production by farm type (in millions of eggs and %) and number of farms per type

Broiler chicken value chains

Broiler chicken production is costly due to the large quantities of imported feed required for the animals' growth. It faces direct competition from massive imports of frozen chicken from a globalised mass market. This market enables extremely low CIF (cost, insurance, freight) prices, which are passed on to consumers through a range of measures to protect purchasing power, targeting the most sought-after chicken cuts. These measures are implemented in various ways across the three territories: exemption from certain taxes and customs duties, or minimal duties; and regulation of distribution margins (administratively in French Polynesia, or negotiated through the 'quality-price shield' in New Caledonia and Wallis and Futuna). Low-cost imported frozen chicken is thus a key tool for the public authorities in the fight against the high cost of living, resulting in retail prices per kilo that are four to five times lower than those of local chicken.

growing chickens; a very large number of small to very small artisanal farmers (with 50 to 200 birds); and finally, the specific model of small farms grouped into economic interest groups (GIE), which ensures the supply of inputs and chicks (via a hatchery), slaughter (using their own abattoir, which receives a provincial subsidy) and marketing. The farms are equipped with movable poultry houses with a capacity of around 500 birds and practise free-range farming, opting for slow-growth production under the 'certified authentic' label. Despite this diversity of farming systems, there is nevertheless a high degree of concentration, with industrial-style farming accounting for 72% of production (Figure 4). Production is more evenly distributed geographically, across the main towns on the west coast and, in the case of the Merü GIE, on the east coast.

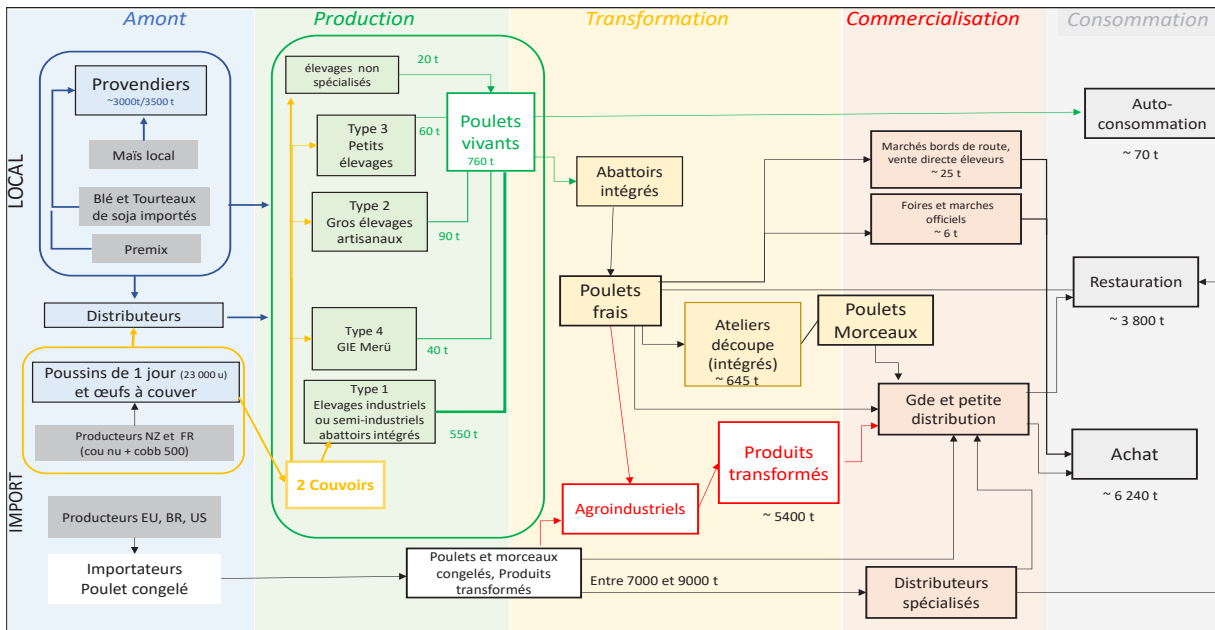


Figure 4. Estimated flows in the broiler chicken value chain. Example from New Caledonia

Governance

Given the importance of direct relationships between farmers and distributors or between farmers and consumers in a market characterised by a concentration of supply, the dominance of large retailers, a relative balance in the egg market and fiercer competition in the small fresh chicken market, there are limited incentives for collective action. The few trade organisations or farmers' unions are not very active, and producers tend to favour informal commercial relationships based on trust. Only the largest farms are able to secure supply contracts with supermarkets.

In this context, poultry value chains are characterised by a high degree of administrative regulation, as public authorities have chosen to actively support their development. Across all

territories, the regulatory framework covers establishment permits, environmental requirements for farms exceeding specified livestock thresholds, and stringent sanitary regulations. These include veterinary inspections of farms, disease prevention and control measures, and product monitoring, with authorities empowered to order the culling of livestock and prohibit sales where necessary, as is the case for eggs contaminated with salmonella.

The most emblematic example is French Polynesia, where the egg value chain is subject to extensive regulation, ranging from production quotas to controls on prices and profit margins.

What is the contribution of the value chain to economic growth?

Sustainability of stakeholders

Despite the high cost of imported intermediate inputs, the profitability of livestock farms is good to high, although technical and financial results vary depending on the type of farm. The profit-to-cost ratio is generally over 30% and the return on turnover (net margin) stands at between 20 and 25% in New Caledonia, 27 and 28% in French Polynesia – which are very respectable results compared with other national contexts.

The bulk of production costs stems from intermediate inputs, even though these benefit from customs duty exemptions and reduced or waived taxes. These inputs account for approximately 60% of the value of production in the egg value chain and 70–80% in the chicken value chain, where slaughtering and veterinary costs are higher (Figure 5). Animal feed remains by far the largest cost component.

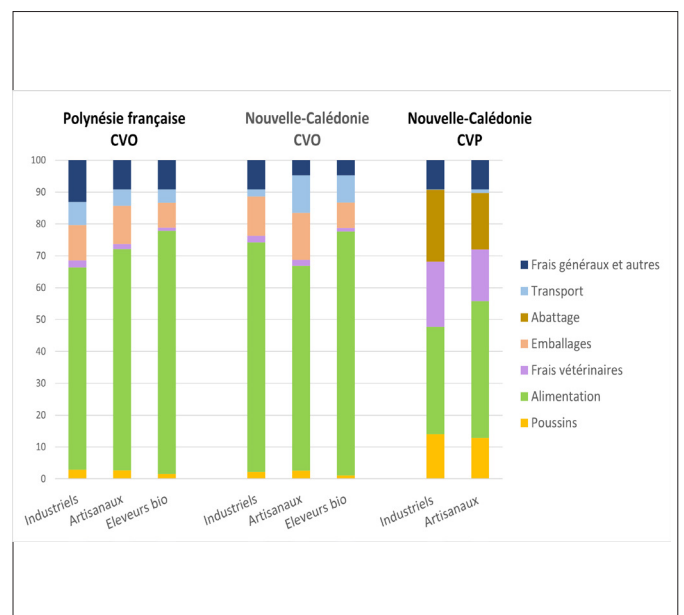


Figure 5. Structure of intermediate consumption (in %) in the chicken (CVP) and egg (CVO) value chain

The results by type of livestock production and by farm are extremely sensitive to certain parameters – loss rates, cycle duration, daily rations, feed prices, laying rates for eggs, weight per unit for chickens and selling prices – which reflect the characteristics of production structures and the management choices made by farms. Thus, industrial farms have higher productivity levels than other farms, but the gains are offset by higher structural and operating costs (depreciation of infrastructure, overheads, wages, and corporation tax – to which smaller operations with lower profits are not subject), resulting ultimately in performance ratios that are fairly similar (Figure 6). Organic egg farms generally have the best profit margins. Despite the high cost of feed, which can cause cash flow problems, these are small, employee-free operations with low operating costs; their high selling prices enable a good net profit margin.

As regards distribution, the results generated by poultry retailers vary. Margins on egg sales are either administratively restricted (in French Polynesia) or deliberately reduced to maintain the product's status as a loss leader, particularly as part of efforts to combat the high cost of living. Nevertheless, they remain effective in New Caledonia and Wallis and Futuna. There is greater room for manoeuvre for fresh chicken, which is a free-market, high-end product.

In French Polynesia, imports account for 48 per cent of the total value added (VA) of the egg value chain; in New Caledonia, they account for 75 per cent of the VA of both value chains. Net transfers to the public finances (taxes and duties minus subsidies – only investment subsidies could be estimated) are positive but limited: 177 M FCFP in French Polynesia and 135 M FCFP in New Caledonia.

Sustainability in the global economy

Due to their production costs, poultry products are neither competitive nor viable internationally. They are protected from international competition by tariff and regulatory barriers: a ban on egg imports into French Polynesia; customs duties and other taxes of 24 per cent on eggs and 410 per cent on fresh chicken in New Caledonia. In Wallis and Futuna, egg imports are also taxed at 24 per cent, but the local industry also benefits from 'geographical' protection due to the remoteness of the territory and a monthly supply by ship.

In French Polynesia and New Caledonia, the nominal protection coefficient (CPN) thus stands at 1.68 and 1.75 for eggs, but rises to 4.9 for New Caledonian chicken. As for the domestic resource coefficients (CRI), these are negative since the value of wages and invested capital exceeds the value added at parity prices. Without protection, the value-added sectors would be in deficit.

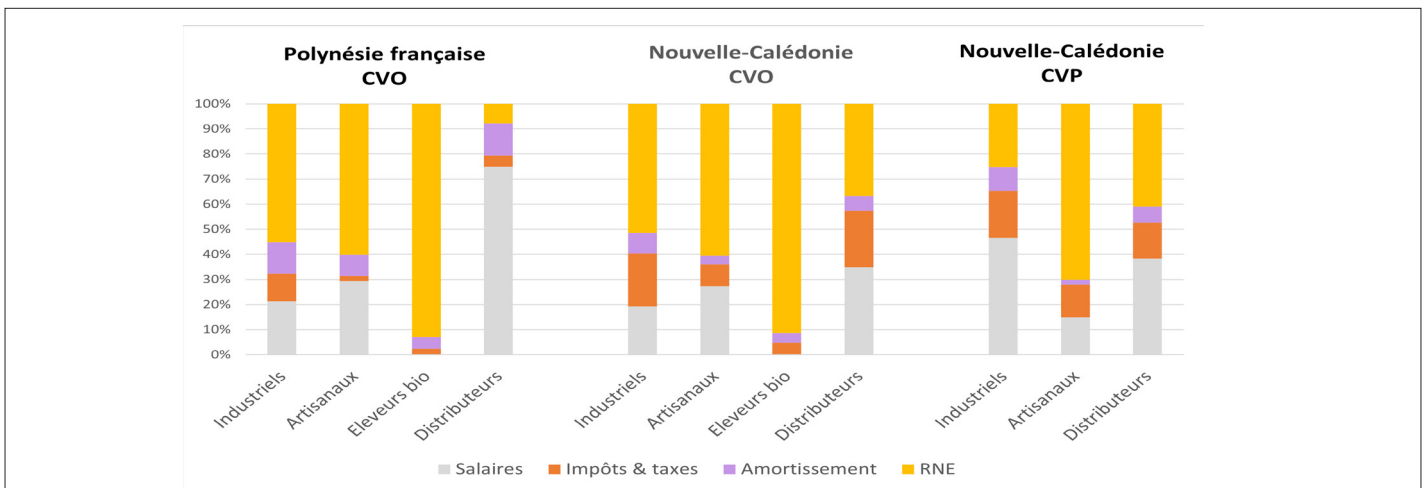


Figure 6. Breakdown of value added (in %) in the chicken (CVC) and egg (EVCs) value chains

Effects on the national economy

The estimated total value added (VA) of the poultry value chains in French Polynesia and New Caledonia stood at 1.9 billion and 2.6 billion FCFP respectively in 2023, with 99 per cent and 60 per cent of this coming from the egg sector. This figure includes the direct VA from farms (and abattoirs for chicken) and from distribution, as well as the indirect VA generated by operators outside the value chain (suppliers of feed and farming equipment). Due to the high volume of imports, indirect and knock-on effects are limited. This contribution to growth is obviously marginal (around 0.3 per cent of GDP), but it is more significant in terms of agricultural growth (7 per cent and 5 per cent respectively).

The VCs have a negative impact on the trade balance of both territories, as they do not export (with the exception of occasional, small shipments of chicks from New Caledonia to Wallis and Futuna), whilst they import heavily to sustain their operations. In Polynesia



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Is the economic growth inclusive?

Poultry small-scale enterprises are not very labour-intensive and generate few jobs, as the labour requirements for maintaining infrastructure and livestock are limited, and the predominance of cage rearing is accompanied by automation in the largest operations. Furthermore, the size of the markets and the lack of international competitiveness limit the sector's growth potential. The concentration of production facilities has a direct impact on income distribution and the inclusiveness of growth, which is characterised by its asymmetry and the dominant role played by industrial farms.

Income distribution

Direct income generated in the form of wages and net operating profit (NOP) amounts to 1.3 billion FCFP for the egg production chain in French Polynesia and 810 and 676 million FCFP for the egg and broiler production chains in New Caledonia, representing 84%, 76% and 81% of the direct value added generated by each sector.

The distribution of income is broadly characterised by the role played by net operating profit and the dominance of industrial farming (Figure 7), although there are two important caveats. Firstly, the share of wages is higher in the broiler sector. Unlike eggs, which require only packaging in cartons, chicken meat is a final product involving the stages of slaughter, cutting and, where applicable, packaging in trays, which results in a higher proportion of paid labour. Thus, the share of wages is 30% in the egg sector, compared with nearly 50% in the chicken sector.

Furthermore, the role of the retail sector differs significantly between the two territories. In French Polynesia, where margins in the egg sector are strictly regulated, the retail sector accounts for less than 1% of total revenue, which significantly boosts the relative share of industrial poultry farms. Conversely, in New Caledonia, where margin regulations are weak or non-existent, the role of the distribution sector is much stronger: it accounts for 25% of revenue in the chicken sector – fresh chicken being a high-end market – but 15% of that in the egg sector, which is subject to incentives to keep prices in check. Finally, it should be noted that, even though their role is marginal, the share of revenue captured by organic egg producers is almost twice their share of production volumes, which confirms their strong profitability.

Jobs

In French Polynesia, the egg value chain employs approximately 110 full-time equivalent (FTE) workers on farms and a further 20 FTEs in distribution. Around 70% of these salaried positions are found in industrial-scale farms, while 15% are in small-scale operations, where production is primarily carried out by the farm owner, sometimes with the support of family members. These jobs are often part-time and predominantly low-skilled (86%), and women account for 22% of farm employees.

The value chain also generates approximately 70 indirect jobs among suppliers of goods and services, bringing total employment to around 200 FTEs. It pays an estimated CFPF 600 million in wages annually. Despite this contribution, the sector represents only a very small share of total salaried employment in the territory, accounting for around 0.3%.

In New Caledonia, the two sectors employ nearly 180 FTE: 80 in the egg sector and almost 100 in the chicken sector, with 80 per cent and 90 per cent of these jobs, respectively, in industrial farming and distribution in equal measure. Two-thirds of jobs are part-time in the egg sector, compared with just 50 per cent in the chicken sector, where there are more permanent and skilled roles, largely due to slaughtering. Around 80 indirect FTE are employed by suppliers, bringing the total to an estimated 260 FTE (0.4 per cent of the total workforce).



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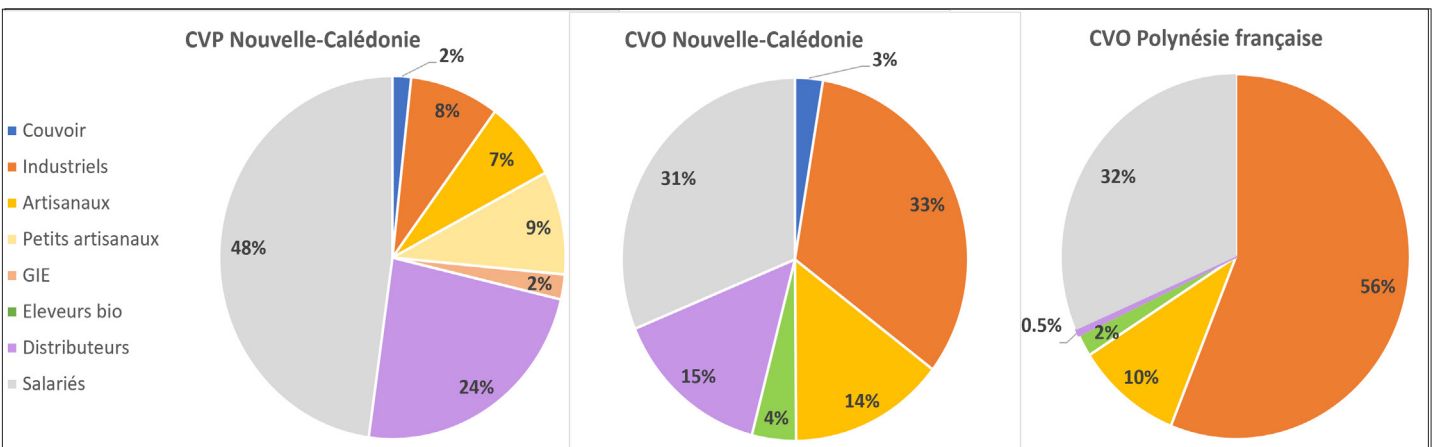


Figure 7 – Distribution of direct income in the chicken (CVC) and egg (EVC) value chains

Is the value chain socially sustainable?

The poultry value chains benefit from the French legal framework regarding labour legislation and human rights – which is largely incorporated into local law – and from a reasonable standard of public services. The income generated, whilst remaining marginal at the regional level, affects around 300 households in French Polynesia and 850 households in New Caledonia, whether in the form of wages (permanent or temporary) or income for small-scale farmers, even though the latter often have multiple sources of income. Poultry farming therefore has an impact on local economies.

Overall social sustainability is fair, ranging from moderate to substantial (Figure 8), although there are disparities that can be significant, particularly in New Caledonia. The following issues have been identified across the six areas of analysis (Table 1).

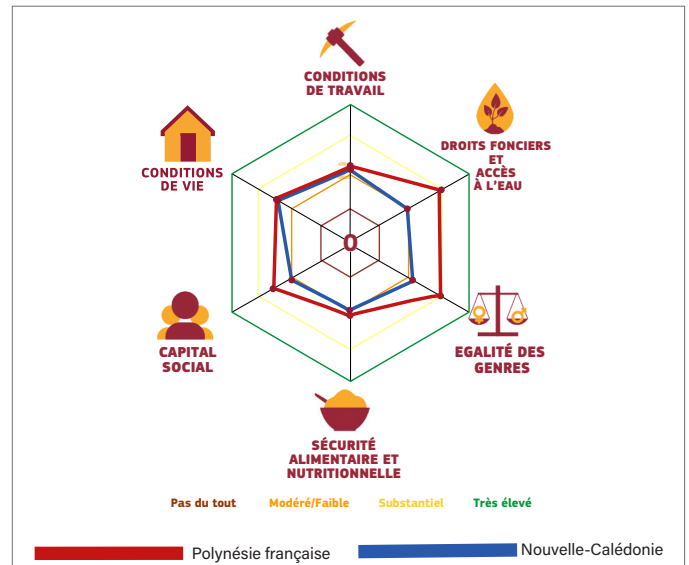


Figure 8. Profil social

Working conditions	<ul style="list-style-type: none"> Rights are respected and wages meet the statutory minimum wage (SMIG) for formal employment. However, a significant proportion of work is informal, carried out within the family context of small-scale farms. The sector holds little appeal for young people due to the arduous nature of the work and the status associated with industrial livestock farms (odours, manure), with potential risks to health and safety at work (dust, respiratory problems).
Land and water rights	<ul style="list-style-type: none"> Access to land can be difficult (joint ownership in French Polynesia, in New Caledonia and Wallis and Futuna), which restricts access to credit, but the sector's requirements (land area) are limited. Access to water is widespread, but there are serious local concerns regarding lagoon pollution from effluent.
Gender equality	<ul style="list-style-type: none"> Equal rights are guaranteed. Women run many small-scale livestock farms (38% in French Polynesia) and even semi-industrial ones (Wallis and Futuna). However, they may face discrimination when applying for paid employment due to the perceived physical demands of certain tasks (only 22% of women in French Polynesia).
Food and nutrition security	<ul style="list-style-type: none"> Availability is good, with total to near-total self-sufficiency in fresh eggs and efficient distribution networks (occasional shortages in Wallis and Futuna). However, the population faces nutritional vulnerabilities (obesity, diabetes) due to the shift towards imported ultra-processed foods (high in sugar) or low-quality products (including certain cuts of frozen chicken). The high cost of fresh produce is a constraint for the most vulnerable groups, particularly in urban areas.
Social capital	<ul style="list-style-type: none"> Community and religious mutual aid has historically been very strong. Conversely, collective economic action (co-operatives, trade unions, inter-professional organisations) is virtually non-existent in the poultry sector due to individualism and fierce competition in a small local market.
Living conditions	<ul style="list-style-type: none"> General access to healthcare, education and transport is good (prior to the crisis in New Caledonia). Nevertheless, significant disparities disadvantage isolated municipalities and archipelagos, which are characterised by higher secondary school drop-out rates and mobility constraints. Income inequalities are high (including within the poultry sector) and result in significant precariousness (the poverty rate is close to 25% in New Caledonia and Wallis and Futuna), particularly in terms of access to housing

Table 1. Areas of the social profile

Is the value chain environmentally sustainable?

Life-cycle assessment (LCA) enables the measurement of environmental impacts associated with the operation of value chains across several damage indicators and at the various stages of each value chain. Due to the low volumes produced, these impacts remain limited locally for the three OCTs, particularly as the heavy reliance on imports in the production of eggs and poultry meat shifts part of the impacts abroad, to the places where the inputs are produced.

Impact on areas of environmental protection, at different stages and according to technical systems

This outsourcing is significant for French Polynesia and less so for New Caledonia, given that chicks and maize – which form part of the feed rations – are produced locally. Over 90% of the impact on ecosystem quality in terms of biodiversity loss occurs outside the territory for French Polynesian VCs, compared with 50% in New Caledonia. The impact on human health (air pollution linked to production and transport) is slightly greater but still occurs outside the territory in around 70% of cases in French Polynesia and 30 to 50% in New Caledonia. The impact on the depletion of natural resources (extraction of mineral and fossil resources) is more varied. It accounts for the equivalent of 1% of the VA in French Polynesia and New Caledonia, with a greater impact from chicken VCs due to the energy-intensive slaughtering phase.

For each sector, the majority of impacts occur during the feed production phase, mainly outside each territory. This is followed by the production phase on farms and transport, which logically relates primarily to resource depletion but whose impact is also largely externalised, and then slaughter for chicken meat products (Figure 9).

The different farming systems have varying impacts. It is the industrial systems, mainly cage-based cages, that are indisputably the most impactful across all categories, along with the largest small-scale farms in New Caledonia. The difference compared with floor-rearing systems is minimal. Free-range systems have the lowest level of impact, particularly in French Polynesia with regard to ecosystem health.

Impact on climate change and biodiversity

Greenhouse gas emissions amount to around 2.5 to 3 kg CO₂eq per kilogram of eggs and 5 to 8 kg per kilogram of carcass (in French Polynesia and New Caledonia respectively), representing 0.3 per cent of emissions in French Polynesia and less than 0.1 per cent in New Caledonia, where there are industrial emission sources and a larger agricultural sector. Ninety-five per cent of these emissions are linked to the production phase and the production of upstream inputs (and therefore occur off-site).

Although it is more difficult to measure the impacts, it is on biodiversity that the potential impacts are most evident. In addition to the losses of imported biodiversity already mentioned, the primary factor relates to the management of the carcasses of laying hens, which are most commonly buried, posing risks to groundwater and, above all, the lagoon, particularly in French Polynesia. The next concern is effluent, which has the same effects, compounded by eutrophication caused by potential leaching in the event of poor storage, but also during spreading.

Ultimately, the life cycle assessments are sustainable by international standards, given that the environmental impacts are largely externalised. The lower environmental impact of organic and free-range systems reinforces their appeal, with 70 to 90% of the damage occurring abroad via the import of feed. Locally, the major risks relate to the pollution of marine ecosystems caused by the burial of carcasses and droppings, underlining the urgent need for an agro-ecological transition.

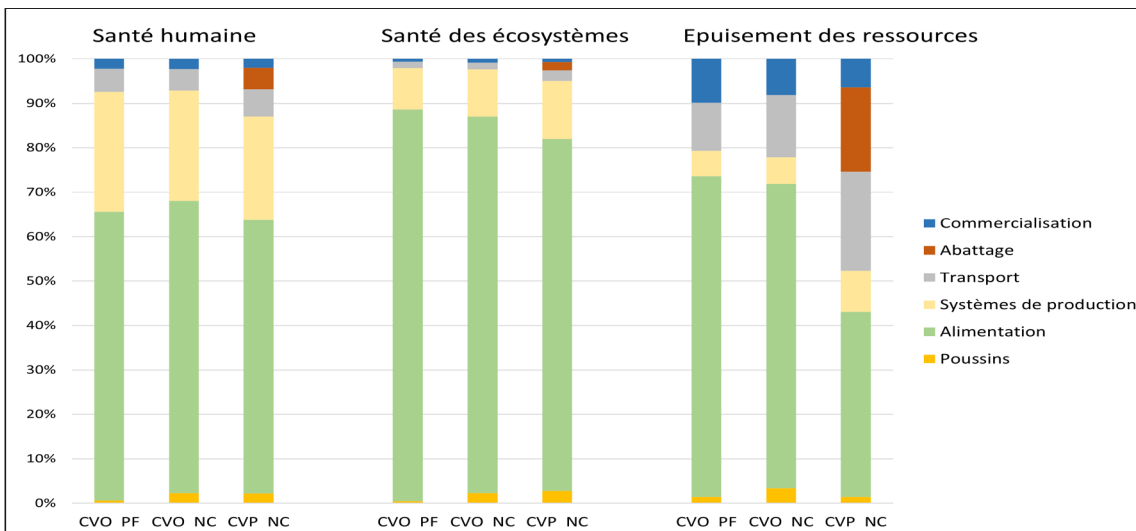


Figure 9. Contribution of each stage in the life cycle of eggs (EVC) and chickens (CVC) to the three indicators of damage

Conclusions

Key findings

The contribution of the poultry value chains to economic growth in the Pacific OCTs is positive but marginal. In New Caledonia and French Polynesia, they account for between 2 and 3 billion FCFP in value added, representing less than 0.5 per cent of GDP. By contrast, they account for 5 and 7% of agricultural value added. In French Polynesia and Wallis and Futuna, they bolster an agricultural sector where local production is limited. The poultry sector is heavily dependent on imported inputs, which is a major source of vulnerability. Production structures are diversified, but the dominance of industrial farming contributes to unequal and largely exclusive growth. The sector comprises a few hundred farms and provides few jobs

Profitability is good for all types of farms, which benefit from exemptions and/or reductions in and, above all, market protection measures which result in additional costs for

consumers, from which large retailers in New Caledonia and the largest farms in French Polynesia benefit. The overall social sustainability of the sector is reasonable despite significant disparities, as is its environmental sustainability, which remains in line with international standards.

The market for eggs and fresh chicken is generally buoyant, despite constraints on purchasing power, against a backdrop of growing interest in local and healthy products. The challenge for public authorities centres on the sector’s development model, balancing the risk of increased concentration against the opportunity to promote a more decentralised approach that contributes to local economies, using more environmentally friendly techniques (Table 2).

Strengths				Weakness			
<ul style="list-style-type: none"> Technical expertise and food safety standards Existence of an organic certification scheme (Bio Pasifika) Production of chicks and maize (NC) Independence from direct public subsidies (except for maize – NC) 				<ul style="list-style-type: none"> Cost of imported inputs Lack of competitiveness and tariff protections Uneven management of effluent and manure Weak collective action Margins in large-scale retail (NC, WF) Lack of a hatchery (PF) 			
E	<ul style="list-style-type: none"> Self-sufficiency in eggs (PF, NC) and low imports (WF) 	C	<ul style="list-style-type: none"> Production of high-quality meat (NC) 	E	<ul style="list-style-type: none"> Full market protection (PF) 	C	<ul style="list-style-type: none"> Purchasing power (nesting market niche market)
V	<ul style="list-style-type: none"> Limited concentration of poultry farms (PF) 	V	<ul style="list-style-type: none"> Existence of an inclusive cooperative model 	V	<ul style="list-style-type: none"> Cost of protection measures to the consumer (PF) Productivity of small-scale farms (excessively long laying periods) Poor management of carcasses 	V	<ul style="list-style-type: none"> Reliance on a single slaughterhouse (PF)
C	<ul style="list-style-type: none"> Existence of an egg-breaking plant (NC) 	C	<ul style="list-style-type: none"> (NC) 	C	<ul style="list-style-type: none"> Lack of an egg-breaking facility (PF) 	C	<ul style="list-style-type: none"> Marginal production (PF) Tariff overprotection (NC)
Opportunities				Threats			
<ul style="list-style-type: none"> Strengthening local production of inputs (feed, packaging) Opportunity for bulk purchasing of inputs Improve the environmental footprint (outdoor rearing, use of manure, management of effluent and carcasses) Support for small, decentralised organisations Regional and inter-OCT cooperation 				<ul style="list-style-type: none"> External dependence and supply disruptions Rising prices of imported inputs and freight Increased concentration of livestock farming Health crisis and ecosystem pollution 			
E	<ul style="list-style-type: none"> Growth in demand for organic produce 	C	<ul style="list-style-type: none"> Strong demand for chicken 	E	<ul style="list-style-type: none"> Rise in imports of egg products 	C	<ul style="list-style-type: none"> Contraction of the niche market
V	<ul style="list-style-type: none"> Better utilisation of culled hens 	V	<ul style="list-style-type: none"> Market for small free-range chickens 	V		V	
C	<ul style="list-style-type: none"> Development of egg product production (PF) 	C		C		C	

Table 2. SWOT matrix for the egg (EVC) and chicken (CVC) VCs

Recommendations

Despite the structural constraints faced by the VCs, there are avenues for action that can inform the public debate. These relate to:

- reducing external dependence and supply costs (incorporating local products and by-products into feed rations, eco-friendly packaging, recycling, new hatcheries);
- making livestock farming systems more environmentally friendly (developing floor-rearing and free-range systems, organic farming practices, effluent management, and the recovery of manure and spent hens);
- encouraging collective action by making certain tariff exemptions, protections, investment grants and tax relief conditional upon the establishment of an inter-professional organisation and ad hoc groups (for example, for supply, processing and marketing);
- a review, supported by further studies, of development options for value chains and the local market, the terms of public support, and the costs, benefits and beneficiaries of market protection and regulation schemes and the pricing system;
- strengthening regional cooperation (professional technical networks, know-how and innovation, and reducing external dependencies).



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This document has been drawn up on the basis of the following reports (only the original full reports are binding on the authors):

Losch B., Vigne M., Coote C., 2025. Analyse des chaînes de valeur de la volaille dans les PTOM du Pacifique. Etude Polynésie française. Rapport pour l'Union Européenne, DG-INTPA. Value Chain Analysis for Development Project (VCA4D CTR 2017/392-417), 118 pp + annexes (16 p).

Blaise S., Losch B., 2025. Analyse des chaînes de valeur de la volaille dans les PTOM du Pacifique. Etude Wallis-et-Futuna. Rapport pour l'Union Européenne, DG-INTPA. Value Chain Analysis for Development Project (VCA4D CTR 2017/392-417), 37 pp.

Bouard S., Losch B., Sourisseau J-M., Coote C., Vigne M., 2025. Analyse des chaînes de valeur de la volaille dans les PTOM du Pacifique. Étude Nouvelle-Calédonie. Rapport pour l'Union Européenne, DG-INTPA. Value Chain Analysis for Development Project (VCA4D CTR 2017/392-417). 124 pp + annexes (19 p).

