

APPENDICES

Appendix 1
Written Evidence
Ministry of Agriculture



File ref: MOA 33/1

Date: 8 July 2021

The Chairperson
Standing Committee on Natural Resources
Parliament Republic of Fiji
Government Buildings
Suva

Attention: Hon. Sanjay Kirpal

Dear Sir,

Re: Clarification of Issues- January to July 2016 Annual Report

Your letter, ref: PARL/NRC/6/16-8, dated June 30, 2021, is referred to. Below are responses to the questions posed.

Question 1: Page 7 – PS Statement

Can the Ministry explain more on the types of rehabilitation the Ministry undertook after TC Winston as stated by Permanent Secretary in his statement?

The Rehabilitation program was implemented in three phases; immediate, mid-term and long term. The overall programme had a total budget of \$2.2million. This funding was made possible through virement of Divisional Budget Allocation within the Ministry for 2016 in the wake of the cyclone as part of our rehabilitation activities.

The immediate rehabilitation work included distribution of seeds and planting materials, infrastructural maintenance and support and redeployment of resources to meet Agriculture Rehabilitation demands. In addition, the Ministry supported farmers through land clearing support, which allowed them to restart their farming activities to support their livelihoods as well as addressing food security issues.

The mid-term and long-term rehabilitation work included infrastructural support, land preparation, continued distribution of seeds and promotion of resilient breeds and varieties.

Question 2: Page 8 – Legislated Functions

a) Under the List of Legislations and Regulations of the Ministry of Agriculture, has it considered enacting an Organic Act?

The Ministry is currently pursuing compilation of a National Organic Policy and is currently reviewing its existing list of legislations. An Organic Act could be considered in the long term and the Ministry is carrying out studies on an effective deployment strategy through a pilot approach, followed by phased deployment across relevant areas in Fiji. Any organic policy and action plans should be linked to the overarching objectives of the country's

agriculture policies in order to make them mutually supportive, and for Ministry of Agriculture, this is now part of our plan and under our strategic theme “Adoption of sustainable resource management and climate smart agriculture practices” where the Ministry aims to achieve a 25% increase in number of farmers adopting organic production with secure market access by end 2023.

b) How many of the Legislations and Regulations are under review by the Ministry?

There are currently 23 pieces of legislations under review by the Ministry. These are listed below.

| Ministry of Agriculture Legislation Review | | | |
|--|---|----|--|
| 1 | Agricultural Landlord and Tenant Act 1966 | 13 | Ginger Council of Fiji Act 1996 |
| 2 | Agricultural Marketing Authority Act 2004 | 14 | Goat (Ear-marks) Act 1955 |
| 3 | Banana Export and Marketing Act 1960 | 15 | Land Conservation and Improvement Act 1953 |
| 4 | Birds and Game Protection Act 1923 | 16 | Land Development Act 1961 |
| 5 | Brands Act 1928 | 17 | Meat Industry Act 1969 |
| 6 | Coconut Industry Development Act 2010 | 18 | Pesticides Act 1971 |
| 7 | Co-operative Dairy Companies Act 1974 | 19 | Pound Act 1877 |
| 8 | Copra Industry Loans Act 1976 | 20 | Protection of Animals Act 1954 |
| 9 | Dairies Act 1965 | 21 | Stock Improvement Act 1932 |
| 10 | Dogs Act 1968 | 22 | Trespass of Animals Act 1955 |
| 11 | Fencing Act 1955 | 23 | Veterinary Surgeons Act 1956 |
| 12 | Fruit Export and Marketing Act 1906 | | |

The review was assigned to Mr. Julian Moti who had achieved a reasonable amount of progress. However, with his untimely passing away in December 2020, the work had stalled.

Ministry of Agriculture is in discussion with the SG’s office as well as development partners and agencies to get support in this area to recommence the review and complete the work that was undertaken by late Mr. Julian Moti.

Question 3: Page 9 – Ministry’s Output Linkage to PCCPP Priorities

a) Can the Ministry please explain why the Ministry is referring to 2015 outputs as the report is for January 1st to July 31st 2016?

Since its a half yearly report for 2016 and the output data is compiled according to calendar year, the only representative data for this period would be 2015 output data. The 2016 data which is captured for the calendar year of 2016, would be presented in 2017.

b) According to Pillar 6, what was the successful rate of production in the sustainable land management farming concept conducted by the Ministry under the review period?

- During this six-month period, the Land Resource Development Division trained 50 farmers on sustainable land management farming concepts of which 10 farmers were assisted with land clearing and preparation.
- Agriculture production in 2016 was over 100,000 mt from January to July.

- c) *According to Pillar 7, how many were assisted in the Rural and Outer Islands (ROI) program?*

During this time, the Rural Outer Island program supported 19 projects, all of which involved farmer cluster groups made up of ten or more farmers from the following locations:

- Kadavu Island
- Lomaiviti
- Lau
- Tailevu
- Naitasiri

- d) *According to Pillar 8 it states, “Reduce Poverty to a Negligible Level by 2015”. How successful have the plans been achieved by the youth groups and women groups during the review period?*

Most programs implemented by the Ministry throughout each Financial Year addresses issue of Poverty as one of the targeted outcomes. The Ministry through its Annual Plans ensure that Youth and Women Group are covered in this intervention. 31 women's groups were trained and assisted in the Cottage Industry Program from January to July 2016.

In addition, the Ministry continued to subsidize Agricultural Schools such as Tutu Agricultural School and Navuso Agricultural School to support the Youth in Agriculture Program in each Financial Year.

Question 4: Page 12 – Tropical Winston Overview

- a) *Can the Ministry clarify whether there were other alternative commodities provided by the Ministry of Agriculture to sustain the livelihood of the worst affected communities such as Koro, Taveuni and Wainibuka/Ra?*

These areas were allocated with assorted vegetable seeds and planting materials such as kumala, cassava and yams.

- b) *Can the Ministry provide an update of production on commodities such as Dalo and Yaqona?*

The production data for dalo and yaqona as well as other major commodities for the reporting period in 2016 is below:

| Commodity | Production (mt) |
|-----------|-----------------|
| Dalo | 38,000 |
| Yaqona | 7,500 |
| Cassava | 32,000 |
| Egg Plant | 561 |
| Ginger | 3,278 |

Question 5: Page 41 – Human Resources, Finance and Information System

According to the Achievement of Human Resources Finance and Information System Division;

- a) *Reference to sub-output 1, can the Ministry please clarify which Act, Legislation or Policy was formulated and its progress?*

The OMRS policy and Training policy were formulated. No Acts and legislation review was conducted during this period.

- b) *According to sub-output 3, can the Ministry please clarify the percentage coverage of agriculture stations linked to internet and intranet?*

During this time, six agriculture stations were connected to the internet and intranet. Given that the Ministry now has 79 stations, the percentage of connectivity throughout this time period would be 17.72 percent. The current coverage rate is 40.51 percent, achieved through progressive work done over the past years. However, given the fact that some additional stations have been added recently, the percentage of connectivity would have been higher.

The Ministry's objective is to enhance connectivity across all its station, and work is being done progressively to improve the infrastructure, which also includes other utilities in addition to communications.

Question 6: Financial Statements for the Year Ended 31 December 2015

- a) *Can the Ministry please clarify the actions taken to address the five (5) issues raised by the Auditor General as the basis for Qualified Accounts?*

All issues raised by the OAG for the year 2015 have been addressed as follows:

- TMA - the Ministry appointed an Assistant Accountant to oversee the financial operations of TMA and conduct proper reconciliation of Accounts.
- The Ministry is now undertaking quarterly stock-take and annual stock-take is done in collaboration with the Office of the Auditor General.
- FMIS and GL Balance – All accounts have been reconciled and updated.
- Trust Fund Account has been reconciled, updated and closed and the account has been transferred to Ministry of Waterways.
- The Ministry currently conducts its Annual Board of Survey as per procedure and is fully documented.

- b) *Can the Ministry please submit accounts for the period 1st Jan, 2016 to 31st July, 2016, the reporting period?*

- The accounts for the period 1 January to 31 July 2016 is attached.

c) *Can the Ministry please provide an update on the maintenance of government quarters and institutional quarters?*

For the period of the report, the following works was carried out:

- Office maintenance: Nanukuloa, Dobuilevu and Nayavu.
- Government Quarters: One x SAO Ra (repair and maintenance).
- Institutional Quarters : Ten x Quarters (one Duplex and one quarters newly constructed/ eight quarters were under maintenance).

The refurbishment and maintenance of quarters has been a major emphasis area for the Ministry, with annual financial allocations now being made to carry out the essential work in stages across all Fiji stations.

We hope that this clarifies all of the above issues and should you need any further information please do contact us.

Yours sincerely,



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Ritesh Dass

Permanent Secretary

Enclosure

Appendix 2
Annual Report Summary
Ministry of Agriculture



Annual Report Summary – Ministry of Agriculture January – July 2016 Annual Report

Standing Committee on Natural Resources

Vision–“To influence market forces through vibrant and sustainable agriculture activity that reduces poverty, reduces the risks of food insecurity and increases the contribution to GDP”

Mission–“To excel in the provision of customer focused and market driven services in the agricultural sector”

| | January – July 2016 |
|-------------------------------|---|
| Background | <ul style="list-style-type: none">• The Ministry of Agriculture is mandated to ensure accelerated growth of Fiji’s Agriculture Sector, product diversification and identify competitive advantage and opportunities, facilitate public/ private sector engagement, promote food security and ensure sustainable livelihood for all Fijians.• The functions of the Ministry includes:<ul style="list-style-type: none">○ To accelerate agricultural product diversification into crops and livestock products where competitive advantages have been identified;○ To facilitate private sector development;○ To promote food security; and○ To ensure sustainable development in the non-sugar sector |
| Organization Structure | <ul style="list-style-type: none">• The organizational structure can be seen on page 11 of the annual report. |
| Acts in Place | <ul style="list-style-type: none">• The legislations and regulations of the Ministry can be seen on page 8 of the annual report. |
| Major Highlights | <ul style="list-style-type: none">• The Ministry’s activities in 2016 were aligned to the 5 Government’s Key Pillars namely:<ul style="list-style-type: none">○ Pillar 4 Enhancing Public Sector Effectiveness and Service Delivery○ Pillar 5 Achieving Higher Economic Growth while Ensuring Sustainability○ Pillar 6 Making more Land Available for Productive and Social services○ Pillar 7 Developing an Integrated Development Structure at the Divisional Level○ Pillar 8 Reduce Poverty to a Negligible Level by 2015<i>(Full details can be seen on page 9 of the annual report)</i>• The Ministry’s 2016 approved outputs as approved by the Ministry of Finance can be seen on page 10 of the annual report. |



- TC Winston Overview:
 - The total value of damages caused by TC Winston to the Agriculture Sector is \$208.5 million and 44,879 Farmers affected (*details of damages can be seen on page 12 of the annual report*).
 - The Northern Division suffered the most damages during TC Winston. Bulk of the damages sustained was in the Northern Division with \$93.8 million, whereas in the Western division was \$52.8million, Central division was \$40.5million and \$21.2million in the Eastern Division.
 - With Yaqona being one of the major commodities for local and export market and of high value, it suffers \$116 million of damages, the total value of standing crop of yaqona before the cyclone was \$498.8 million.
 - Dalo is the other major commodities for the local and export market that has been destroyed by the cyclone. “The total value of the damage to the taro (Dalo) was around \$20 million.
 - The rehabilitation programme was implemented in three phases (immediate, midterm and long term) with a total budget of \$2.2million. Immediate relief and rehabilitation work was carried out concurrently with the assessment (*details on page 13 of the annual report*).
- The Ministry’s total budget was \$48.3 million with actual expenditure of \$26.6 million.
- The Agriculture (Crop & Livestock) GDP for 2015 was \$542 million.
- The Agriculture (Crop & Livestock) Production for 2016 was 100,162mt.
- The Crop & Livestock Export was \$224 million.
- The Crop & Livestock Import was \$717 million.
- The Crop Extension Division:
 - The Division’s core responsibility is service delivery. Their role is to extend proven information from researches to farmers, assist and enhance the transitioning of farmers from subsistence to semi and commercial level. The Division was allocated \$8.8million through Capital Programmes for the development and expansion of Crop Commodities. There were 18 approved Capital Programmes which is 38% more than the 2015 budget allocation.
 - The achievements of the Division were based on the following outputs:
 - Output 1: Maintaining Food Security Through the Provision of Extension And Research Services for Crops, Livestock And Veterinary Services
 - Output 2: Quick Economic Recovery Through the Implementation of Demand Driven Approach And Other Commodity Projects
 - Output 3: Assist in Poverty Alleviation by Capacity Building of Farmers to Increase Production
 - Output 4: Sustainable Management of Natural Resources Through Flood Protection Programmes and Other Sustainable Land Management Practices
 - Output 5: Ensuring Equal Access for Women In Agricultural Development



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| | <ul style="list-style-type: none">➤ Output 6: ROI Communities to Meet Basic Needs, Improve Living Standards Through Agriculture Development<ul style="list-style-type: none">○ Full details can be seen on pages 16-18 of the annual report.• Animal Health & Production Division:<ul style="list-style-type: none">○ The core role of the Division is to provide knowledge and other livestock related services to livestock industries, processors and distributors, importers and exporters' smallholder livestock farmers and clients necessary for the adoption best practices. The Division was allocated \$6.2million through Capital Programmes for the development and expansion of Livestock Commodities/ Farms.○ The achievements of the Division were based on the following outputs:<ul style="list-style-type: none">➤ Output 1: Maintaining Food Security Through the Provision of Extension And Research Services For Crops, Livestock And Veterinary Services➤ Output 2: Quick Economic Recovery Through the Implementation of Demand Driven Approach And Other Commodity Projects➤ Output 3: Assist in Poverty Alleviation By Capacity Building Of Farmers To Increase Production➤ Output 5: Ensuring Equal Access for Women In Agricultural Development➤ Output 6: ROI Communities to Meet Basic Needs, Improve Living Standards Through Agriculture Development➤ Output 7: Portfolio Leadership, Policy○ Full details can be seen on pages 21-23 of the annual report.• The NZ Government provided assistance through the Dairy Development Indicative Program total of \$10million NZ for a period of five years. The program is focuses at sustaining and increasing milk production in Fiji. The projects major activities include:<ul style="list-style-type: none">○ Training of Extension Staff and farmer;○ Construction of a new dairy shed for Research and Training at Koronivia Research Station;○ Review of the milk purchase and pricing agreement;○ Infrastructure Improvement on chilling centres;○ Procuring of tractors and implements for pasture improvements;○ Provision of a Veterinarian in the country.• Crop Research Division:<ul style="list-style-type: none">○ The core function of the Division is to complement and support the department of Agriculture, through innovation of new technologies and its transfer to suit the need of farmers, the clients and the stakeholders for the enhancement of the agricultural sector. Facilitate scientific, technical and professional support services for Agriculture Development. The Division was allocated \$2.3million through Capital Programmes for the development and expansion of Livestock Commodities/Farms. |
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- The achievements of the Division were based on the following outputs:
 - Output 1: Maintaining Food Security through the Provision of Extension and Research Services for Crops, Livestock and Veterinary Services
 - Output 2: Quick Economic Recovery Through the Implementation Of Demand Driven Approach And Other Commodity Projects
 - Output 3: Assist in Poverty Alleviation by Capacity Building of Farmers to Increase Production
 - Output 5: Ensuring Equal Access for Women In Agricultural Development
 - Output 6: ROI Communities to Meet Basic Needs, Improve Living Standards Through Agriculture Development
 - Output 7: Portfolio Leadership, Policy
- Full details can be seen on pages 26-28 of the annual report.
- Land & Water Resource Management Division:
 - The role of the Division is to mitigate flood risks which may result in damage to agricultural crops, livestock, property and human live. Provision of efficient and effective drainage to maximise agricultural land utilization. Increase crop yield and enhance food security with timely and efficient irrigation services. The Division was allocated \$13.4million through Capital Programmes.
 - The achievements of the Division were based on the following output:
 - Output 4: Sustainable Management of Natural Resources through Flood Protection Programmes and other Sustainable Land Management Practices
 - Full details can be seen on page 31 of the annual report.
- Land Resource Planning Division:
 - The core role of the Division is to promote sustainable land use practices with major emphasis on land conservation and land degradation issues, updating farm management manual and capacity building for farmers and agriculture officials in the areas of farm business planning and farm business advisory services. The Division was allocated \$0.68million through Capital Programmes for the development and expansion of Livestock Commodities/Farms.
 - The achievements of the Division were based on the following outputs:
 - Output 1: Maintaining Food Security Through the Provision of Extension And Research Services For Crops, Livestock And Veterinary Services
 - Output 2: Quick Economic Recovery Through the Implementation of Demand Driven Approach And Other Commodity Projects
 - Output 3: Assist in Poverty Alleviation by Capacity Building of Farmers to Increase Production
 - Output 4: Sustainable Management of Natural Resources Through Flood Protection Programmes and other Sustainable Land Management Practices



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|---------------------------------------|---|--------------------------|------------------------------|
| | <ul style="list-style-type: none"> ➤ Output 5: Ensuring Equal Access for Women In Agricultural Development ➤ Output 7: Portfolio Leadership, Policy <ul style="list-style-type: none"> ○ Full details can be seen on pages 33-35 of the annual report. • Economic Planning & Statistics Division: <ul style="list-style-type: none"> ○ The core function of the Division is to formulate the Agriculture Sector development policies, appropriate strategies and subsequent program activities in accordance with the Government Strategic Plan, establish and enhance effective sustainable linkages with external organizations, including global donor agencies at bilateral, plurilateral and multilateral levels, analyses policy and assess its impact to the agriculture sector. The Division was allocated \$8 million through Capital Programmes for the development and expansion of Livestock Commodities/Farms. ○ The achievements of the Division were based on the following outputs: <ul style="list-style-type: none"> ➤ Output 1: Maintaining Food Security Through the Provision of Extension And Research Services For Crops, Livestock And Veterinary Services ➤ Output 2: Quick Economic Recovery Through the Implementation of Demand Driven Approach And Other Commodity Projects ➤ Output 3: Assist in Poverty Alleviation by Capacity Building of Farmers to Increase Production ➤ Output 7: Portfolio Leadership, Policy Advice and Secretariat Support ○ Full details can be seen on pages 37-39 of the annual report. • Human Resource Finance & Information Division: <ul style="list-style-type: none"> ○ The core role of the Division is to formulate and review current organizational structure and implementation of public service reform, implement the best practices in managing human resources and effective delivery of service therefore ensuring good governance in the administration and deployment of financial and other resources. The Division was allocated \$8.5 million through Capital Programmes to assist the Division in undertaking its core role. ○ The achievements of the Division were based on the following output: <ul style="list-style-type: none"> ➤ Output 7: Portfolio Leadership, Policy Advice and Secretariat Support ○ Full details can be seen on page 41 of the annual report. | | |
| Financial Position¹ | | 31 July 2016 (\$) | 31 December 2015 (\$) |
| | Total Receipts | 273,783 | 590,964 |
| | Total Operating Expenditure | 16,887,116 | 26,246,393 |

¹ Note, the financial statements provided in the annual report are for the year ended 31 December 2015. The financial statements for the 7 months ended 31 July 2016 were provided in a separate document via email on 8th July 2021.



| | | | |
|--------------------------|---|------------|------------|
| | Total Capital Expenditure | 12,520,744 | 23,307,475 |
| | Total Expenditure | 30,408,224 | 52,575,862 |
| | TMA – Manufacturing Account Gross Profit/(Loss) | 1,021,007 | (108,086) |
| | TMA Profit and Loss Account – Total Income | 1,021,007 | (108,086) |
| | TMA Profit and Loss Account – Total Expense | 132,671 | 332,239 |
| | Net Profit/(Loss) | 888,336 | (440,325) |
| | TMA Balance Sheet – Total Liability | (22,113) | (22,113) |
| | TMA Balance Sheet – Total Equity | 2,047,412 | 1,125,621 |
| | TMA Balance Sheet – Total Liability and Equities | 2,025,299 | 1,103,508 |
| | TMA Balance Sheet – Total Assets | 2,025,299 | 1,103,508 |
| | Land Water Resource Management and Land Resettlement Planning and Development – Total Receipts | 154,676 | 963,831 |
| | Land Water Resource Management and Land Resettlement Planning and Development – Total Payments | 439,095 | 872,901 |
| | (Deficit)/Surplus | (284,419) | 90,930 |
| | Closing Balance as at 31 July | 684,162 | 968,581 |
| Auditor's Opinion | <p><u>Audit Opinion</u></p> <p>The Auditor has audited the financial statements of the Ministry of Agriculture, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Consolidated Trading and Manufacturing Account, Consolidated TMA Profit and Loss Account, Consolidated TMA Balance Sheet, Trust Account Statement of Receipts and Payments and Statement of Losses for the 7 months ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.</p> | | |



| | |
|------------------------|--|
| | <p>In Auditor's opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.</p> <p><u>Basis for Qualifications</u></p> <ol style="list-style-type: none">1. The Ministry transferred \$457, 469 of excess cash from TMA operations to the Consolidated Fund Account with the Ministry of Economy. The journal entry passed to effect the transfer had a nil effect on the general ledger. As a result, this amount was still reflected in the Consolidated TMA Balance Sheet. Consequently, the cash amount of \$559,372 and TMA Surplus Capital Retained of \$1,125,622 in the Consolidated TMA Balance Sheet as at 31 July 2016 are both overstated by \$457,469.2. Appropriate supporting documents for adjustments amounting to \$318,494 to the Cash account for the Trust Account were not provided to audit. In addition, a variance of \$354,402 existed between the detailed listing of beneficiaries of the Trust Account and the amount recorded in the general ledger. As a result, Auditor was unable to ascertain the accuracy and completeness of the closing balance of \$684,162 reflected in the Trust Statement of Receipts and Payments. |
| Gender Analysis | No information on gender was provided in the annual report. |

07 September 2021

Disclaimer

This Annual Report Summary was prepared to assist the Standing Committee on Natural Resources in its review of the Ministry of Agriculture January – July 2016 Annual Report. This summary should not be relied on as a substitute for specific advice. Other sources and information should be consulted. Whilst every effort has been made to ensure that the information is accurate, the Parliament of the Republic of Fiji will not accept any liability for any loss or damage which may be incurred by any person acting in reliance upon the information. The Parliament of the Republic of Fiji accepts no responsibility for any references or links to, or the content of, information maintained by third parties. For further information please email: Shobhna Rani on shobna.rani@govnet.gov.fj