



STANDING COMMITTEE ON NATURAL RESOURCES

ANNUAL REVIEW REPORT OF THE MINISTRY OF AGRICULTURE FOR THE YEAR 2018 – 2019



PARLIAMENT OF THE REPUBLIC OF FIJI

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Table of Contents

CHAIRPERSON’S FOREWORD	3-4
LIST OF ACRONYMS	5
RECOMMENDATION	5
1.0 INTRODUCTION	5 – 6
1.1 COMMITTEE REMIT	6
1.2 PROCEDURE AND PROGRAM	6-7
1.3 COMMITTEE SITE VISIT	7
2.0 COMMITTEE DELIBERATIONS AND ANALYSIS	8
2.1 Background.....	8
2.2 COMMITTEE FINDINGS	8 - 11
3.0 COMMITTEE’S RECOMMENDATIONS	11 - 13
4.0 SUSTAINABLE DEVELOPMENT GOAL	14
5.0 CONCLUSION	14
6.0 COMMITTEE MEMBERS SIGNATURE	15
APPENDICES	16

CHAIRPERSON'S FOREWORD



I am pleased to present the report of the Standing Committee on Natural Resources on the review of the Ministry of Agriculture 2018-2019 Annual Report.

This review was made in accordance with Standing Order 109(2) (c) which mandates the Committee to look into issues related to Forestry, Agriculture, Mining, Environment, Fisheries, Water and Marine services.

Therefore, in accordance with the established Annual Report review process, the Committee examined the Ministry of Agriculture 2018-2019 Annual Report to investigate, inquire into, and make recommendations relating to the agencies' administration, legislative or proposed legislative programme, budget, rationalisation, restructuring, functions, structure and policy formulation.

To begin the mandated review process, the Committee formulated questions aimed to clarify certain components of the report and to further describe the technical/scientific terms used therein. Given the importance of the Ministry's role and the commitment by government to raise its performance level, the Committee noted that the report needs further improvement ensuring that the whole sector and contribution of key stakeholders are also captured. The Committee was grateful for the received written response which provided good reference to the subsequent face to face meeting held with the Ministry's senior management led by the Acting Deputy Secretary Operations, Dr Tekini Nakidakida.

The Committee also conducted site visits in the Central, West and the Northern Divisions respectively to gain a better understanding of the various functional roles of the Divisions/Departments, witness projects and programs undertaken, and confirm evidence to support the findings contained in its final report to Parliament.

The review not only looked at the Ministry's administration, structure and budgetary allocation; but most importantly, the various programs and activities undertaken throughout its functional divisions too. It enabled the Committee to align these with existing policies and at the same time took note of the challenges faced during the reporting period.

In summary, the Review Committee noted the following:

The Ministry of Agriculture's total budget allocation for the fiscal year 2018-2019 amounted to \$96.8 million compared to \$74.4 million in August 2016-July 2017 fiscal year, indicating an increase of \$22.4 million. However, it is noted that despite this significant increase, total expenditure for the fiscal year was around \$64.8 million leaving around \$32 million of the budgeted amount unutilized.

The efforts of the Crop Extension and the Animal Health and Production Divisions in providing Fiji's Food and Nutrition Security needs are well noted. This was effectively supported by Research, Land Resources and Planning, Human Resources and Financial Management and the Policy Guidance of the Ministry through the Economic Planning and Statistics Division. However, the Committee is of a strong view that a more detailed reporting will be of much value in the future and for the long term. While export figures are valuable, equally important are the domestic production and consumption figures in order to fairly represent the Ministry's contribution to the overall food and nutrition security needs of the country let alone the Agriculture Sector's economic share.

Reports also need to reflect the main challenges faced by the Ministry during the fiscal year. This will help in identifying critical issues that will need fixing in order to enhance performance efficiency and production levels as expected by the Ministry and Government as a whole.

To diversify and broaden Fiji's economic base, the Agriculture Sector; both Sugar and Non-Sugar need special attention and relevant support in order to realize its untapped potentials.

In order to complete the mandated functions of Parliamentary Committees under Section 109(2)(c), it would be highly recommended that a Special Committee under Section 122 (1) – (5) of the Standing Orders be convened by Parliament in future to critically analyze Fiji's Agriculture Sector; both Sugar and Non-Sugar to set its future directions.

I wish to extend my appreciation to the Permanent Secretary, Senior Management, and Officials of the Ministry of Agriculture and the relevant stakeholders for their tireless commitment in their respective roles and also for the timely contributions in the final compilation of this report.

I also wish to acknowledge the valuable contribution of the Committee Members namely Hon. Isikeli Tuiwailevu (Deputy Chair) Hon. Iliesa Vanawalu (Member) Hon. Tomasi Tunabuna (Member), Hon. Joseph Nand (Member) and Hon. Jone Usamate (Alternate Member).

Lastly, I thank the Secretariat and Support Team for their continued assistance.



Hon. Inia Seruiratu
Chairperson

ACRONYMS

AMA	Agriculture Marketing Authority
AH&P	Animal Health & Production
EP&S	Economic Planning and Statistics Division

FMIB	Fiji Meats Industry Board
KRS	Koronivia Research Station
LRPD	Land Resources Planning and Development
RIE	Request to Incur Expenditure
SDG's	Sustainable Development Goals
SDP	Strategic Development Plan
SLM	Sustainable Land Management
TB	Tuberculosis
TMA	Trade and Manufacturing Account
TTM	Taiwan Technical Mission
UNCCD	United Nations Conventions to Combat Desertification

RECOMMENDATION

The Standing Committee on Natural Resources has conducted a review of the Ministry of Agriculture 2018-2019 Annual Report and recommends that Parliament take note of its recommendations as stated in the report.

1.0 INTRODUCTION

The Ministry of Agriculture Annual Report for 2018 -2019 was presented in Parliament on July 2022 and referred to the Standing Committee on Natural Resources for scrutiny. It was reintroduced in Parliament early this year on Friday 17th March.

The Committee then proceeded with its mandatory function legislated under Standing Order 109(2) (c) *which allows the Standing Committee on Natural Resources to examine matters related to forestry, agriculture, mining, environment, fisheries, water and marine services.*

Standing Order 110 (1) (c) further authorizes the Standing Committee to *scrutinize the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalization, restructuring, functioning, organization, structure, and policy formulation.*

A Standing Committee must report to Parliament any other matter referred to or initiated by the Committee as soon as it has completed its considerations and deliberations as stipulated under Standing Order 121 (1) (b).

1.1 COMMITTEE REMIT AND COMPOSITION



Hon. Inia Seruiratu
Chairperson



Hon. Isikeli Tuiwailevu
Deputy Chairperson



Hon. Iliesa Vanawalu
Member



Hon. Tomasi Tunabuna
Member



Hon. Joseph Nand
Member



Hon. Jone Usamate
Alternate Member

1.2 Procedure and Program

The Committee scrutinized the Ministry of Agriculture Annual Report and formulated written questions for the Ministry to respond to within a week's time frame. The written questions sought clarity on the contents of the Annual Reports and honed in on the challenges faced by the Ministry during the review period, the achievements, operational review, legislations in place, and progress on the Ministry's initiatives. The Committee deliberated on the responses from the Ministry of Agriculture and its industry stakeholders and incorporated them into its final report for presentation to Parliament.

Copies of the Members' written questions and the Ministry of Agriculture responses are made available on the Parliament website www.parliament.gov.fj under "Parliament Business".

1.3 Committee Site Visit

The Committee conducted a five (5) days site visit on thirty (30) stations in the three (3) geographical divisions in Fiji namely Central, West and the North. Please refer to Table 1 below.

The purpose of the site visit was to enable the Committee to collect valuable information and physically witness the progress of each programs to support its findings. The site visits focused on the following areas of operations.

- selected agriculture stations; □ potential agriculture farmers;
- food processors;
- agricultural goods exporters;
- services providers to the agriculture industry and
- development partners of the Ministry The table below shows areas of site visit:

Table 1: Sites Visited

Sites Visited	Central	West	North
Station	Naduruloulou KRS AH&P	Nacocolevu Rsch Stn Nawaicoba Rsch Stn Legalega Rsch Stn Rakiraki Office	Dreketi Rice Scheme Batiri Sheep Stn Seaqaqa Rsch Stn Wainigata Rsch Stn
Processing Plant	Kaiming Processing Ltd FMIB	Cassava Flour Mr. Kaushik Chand, Drasa Lautoka	AMA Dama, Fiji Rice, Dreketi Coconut Millers, AMA Savusavu
Potential Farmers		TTM Mr. Nand Lal Sabeto Valley Clusters Mr. Samisoni Manewa Yaqara Pastoral	Bua Lomanikoro Rice Farmers Belego Farmers Mr. Haynes, Mr. Viliame Pineapple Farmer Nawailevu SLM Project Wainunu Farmers' Co-operative
Exporters	Ben's Trading	Happy Valley (Ms Poonam)	

2.0 Committee Deliberations and Analysis

2.1 Background

The role of the Ministry of Agriculture is to plan, guide, align, implement, and monitor the progress of agricultural development programmes that will contribute to achieving the Fiji Government's 20-Year National Development Plan (NDP), the Ministry's 5-year Strategic Development Plan (SDP) and the Ministry's Annual Costed Operational Plan (COP).

The five key strategic priorities of the SDP are improved food and nutrition security for all Fijians, increase farmers household income for sustainable livelihoods, improve the adoption of sustainable resources management and climate smart agriculture, establish and improve commercial agriculture and improve public quality sector performance and service delivery

The Ministry of Agriculture (MoA) Annual Report for this financial year highlights the Ministry's performance in accordance with the Annual Budget and COP. This report consist of details of performance measures from 1st August 2018 to 31st July, 2019.

Total budget allocation for the fiscal year 2018-2019 amounted to \$96.8 million, an increase of \$22.4 million from \$74.4 million in the August 2016-July 2017 fiscal year. Out of this allocation, the Ministry was able to utilize \$64,739.9 million which was 67% of the total allocation.

2.2 Committee Findings

The Committee in its review, noted the following;

2.2.1 Ministry Achievements

The Ministry enhanced its performance against its annual targets over the period from 2018 to 2021 and was able to utilize more of its budget. There is still room for improvement.

2.2.2 Financial Audit Report

The 2018 – 2019 report had Qualified Audit Opinion and the Ministry while noting the recommendations of the Auditor General's report has worked towards achieving non-qualified reports in future.

2.2.3 Animal Health and Production Division

The Committee noted with appreciation the following;

- The introduction and multiplication of new improved breeding stocks especially in dairy, beef, goat, sheep, pigs and poultry. This also included the improvement of our indigenous breed genetic material as a mitigation factor for climate change.
- The utilization of formulated livestock feeds from locally available ingredients to mitigate against the high cost of imported feeds.
- General extension duties to the livestock farmers – focuses on the disease eradication program (Brucellosis and TB), attending veterinary clinical cases, provision of agriculture inputs, and advocacy for involvement of women and youth in agriculture.

While the Committee noted that the overall decrease in livestock production, particularly in the meat and the milk throughput, at the same time the production for pork and poultry was at the sufficiency level. This shows that the sector through a targeted approach has huge potentials for further increase in production to reduce importation and to raise export opportunities out of our sufficiency and surplus.

The Committee is of the view that the report lacked the representation of the whole sector in terms of production and monetary value. Furthermore, it failed to highlight clearly the linkages of its programs to the relevant Sustainable Development Goals especially on SDG 1 – No Poverty, SDG 2 – Zero Hunger and SDG 5 – Gender Equality.

2.2.4 Crop Extension Division

The Committee noted with appreciation the role of the Division on the following ;

- Project identification, Planning, Implementation, Supervision and Monitoring of agriculture development projects to achieve Fiji's Food and Nutrition Security needs;
- The distribution of planting materials and transfer of new varieties/cultivars and technologies to farmers including farmers training;
- Coordination of farm development programs in terms of land preparation, construction of farm roads, drainage/irrigation, construction of driers (cocoa and coconut) farm houses and the supply of agro – inputs (fertilizers, weedicides, pesticides, etc.);
- Special emphasis on income generation program that addresses import substitution, graduating subsistence suppliers to semi-commercial and expand commercial farmers to meet the growing export markets.

While noting the high sufficiency rate in some of the commodities, the Committee is of the view that the sector through a targeted approach has huge potentials for further increase in production to reduce importation and to raise export opportunities out of our sufficiency and surplus.

- However, the Committee noted the absence of the linkages between the production and the market sector and the need to identify and diversify into high value agriculture products. The Committee is of the view that report lacked the representation of the whole sector in terms of production and monetary value.

Furthermore, the report failed to clearly highlight the linkages of its programs to the relevant Sustainable Development Goals especially on SDG 1 – No Poverty, SDG 2 – Zero Hunger and SDG 5 – Gender Equality.

2.2.5 Agriculture Research Division

The Committee appreciated the Division's role and the achievements on the following;

- Plant breeding, multiplication and supply of planting materials;
- Expansion of value addition to the food sector;
- Pest control programs; oil and nutrition improvement; and
- Orchard development.

The Committee has noted that a major impediment of research has been the deteriorating state of its facilities and staff capacity. However, the committee has also noted that the Ministry has commenced with the upgrading of its research facilities and with further improvements to be done.

The committee also noted that the report failed to clearly highlight the linkages of its programs and its relevance to Sustainable Development Goals especially on SDG 1 – No Poverty, SDG 2 – Zero Hunger and SDG 5 – Gender Equality

2.2.6 Land Resources Planning and Development Division

The Committee noted that the Division has been involved in;

- Identification of proper land use management system

- Facilitating sustainable land development programs to address soil degradation that leads to soil erosion, siltation and flood mitigation.
- Improving soil nutrition

The Committee noted that the work of this Division is very critical to the overall achievement of agricultural goals. This could be improved by better resourcing. However, while the Committee appreciated the various roles and functions performed by LRPD, it is concerned that the Ministry failed to report the importance of linking its programs to the relevant Sustainable Development Goals especially on SDG 15 - Life on Land. Additionally, the Ministry of Agriculture has responsibilities under the 1994 United Nations Conventions to Combat Desertification (UNCCD). UNCCD is the sole legally binding International Agreement linking environment and development to sustainable land management. It is the driving force behind SDG 15.

2.2.7 Economic Planning and Statistics Division

The Committee acknowledged the Division's achievements which included the following;

- Submission of Four (4) Quarterly Duty Concession Reports;
 - Launching of one (1) commodity industry plan;
 - Successful conduct of one (1) local market promotion through Hotels and Tourism Exhibition Show;
 - The collation and maintenance of agriculture data and statistics;
 - Signing of 4 bilateral Memorandums of Understanding (Rural Affairs of the People's Republic of China, Government of Australia, Asia Pacific Association of Agricultural Research Institutions, and New Zealand Ministry of Foreign Affairs and Trade); □
- Submitting of 12 Cabinet Papers to Cabinet.

The Committee noted that there have been some delays in the work of this Division in the reports that it is required to produce. This could attribute to the lack of resources.

The committee also noted that there is room for improvement in the formulation of policies to address and help in the achievement of relevant SDG's.

2.2.8 Human Resources, Finance and Information

The Committee noted;

- The challenges faced in the Ministry because of high turnover of staff and the lack of specialists;
- The increase in total budget by \$22.4 million allocation for the fiscal year 2018-2019 amounting to **\$96.8 million** compared to \$74.4 million in August 2016-July 2017 fiscal year;
- The utilization rate was only 67% for the 2018 – 2019 budget. The key contributing factors to the low utilization are mainly related to processes within the government machinery namely, Tender Process, Procurement Process and Request to Incur Expenditure (RIE).

The Committee noted with great concern the high staff turnover particularly the scarce skills, the high number of vacant positions not being filled, and the lack of training/capacity building (exchanges/attachments to other institutions), and formulation of retention policies.

The Committee noted with concern the basis of the Qualified Opinion by the independent Auditor's Report in regards to the misappropriation of funds (TMA) and non- adherence to established systems/processes.

However, it has also been appraised of the efforts undertaken by the Ministry to rectify the discrepancies highlighted in the report.

3.0 COMMITTEE'S RECOMMENDATIONS

The Committee had conducted the review of the Ministry of Agriculture for 2018 -2019 Annual Report and also sought clarifications from the Ministry Officials. With the written responses received and the findings from the site visit conducted, the Committee recommends that the Ministry take heed of the Committee's recommendations and ensures timely implementation.

3.1 ANIMAL HEALTH AND PRODUCTION & CROP AND EXTENSION DIVISIONS

RECOMMENDATION 1

The Committee highly recommends that the Ministry improve its future reporting in terms of Timelines and Quality.

RECOMMENDATION 2

The Committee highly recommends that the Ministry intensifies its efforts to promote the increase in crop and livestock production to meet local demands, reduce over reliance on imported food products and maximize opportunities for exports.

RECOMMENDATION 3

The Committee highly recommends that all the necessary resources support is given to both Divisions to effectively monitor and employ best technological practices in their respective programs to minimize unnecessary losses through pest, diseases, and other possible biological and ecological risks.

3.2 AGRICULTURE RESEARCH DIVISION

RECOMMENDATION 1

The Committee highly recommends improvement in research infrastructure facilities.

RECOMMENDATION 2

The Committee highly recommends continued investment in research related activities involving particularly new genetics, high value agriculture commodities, value addition, pest and disease control given our domestic and regional partnership arrangements.

3.3 LAND RESOURCES AND PLANNING DIVISION

RECOMMENDATION 1

The Committee strongly recommends that the Division be given all necessary support to actively facilitate the transfer and adoption of sustainable land management practices ensuring sustainability on land, water, and marine resources.

3.4 ECONOMIC PLANNING AND STATISTICS DIVISION

RECOMMENDATION 1

The Committee highly recommends proper resourcing of the EP&S Division to effectively carry out its functions in terms of collaboration, monitoring and maintenance of data.

RECOMMENDATION 2

The Committee highly recommends the conversion of agricultural data to critical information for the use and benefit of other stakeholders including Academia, Financial/Lending Institutions, Multilateral Organizations, etc.

RECOMMENDATION 3

The Committee highly recommends that a joint Taskforce between the Ministry of Agriculture and the Ministry of Sugar be formed to look at the challenges faced by both sectors, identifying potentials and opportunities and make recommendations on its future directions.

3.5 HUMAN RESOURCES, FINANCE AND INFORMATION

RECOMMENDATION 1

The Committee noted with concern the lack of critical skills in the functional divisions and the high number of vacant positions and therefore recommends that these be given immediate

attention. A contributing factor to these is the high demand of such skills in other institutions and sectors.

RECOMMENDATION 2

The Committee while noting the high staff turnover, highly recommends that the Division urgently addresses the issue through formulation of policies including counter offer packages, recruitment process, capacity building of staff, realignment of positions, employment conditions etc.

4.0 SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Although there were no specific mention of the SDG's in the annual report under review, however the Committee noted that the work of the Ministry is aligned to a number of SDG's. These had been indicated very briefly on the reports on targeted programmes and policies including:

- Poverty Alleviation
- Maintaining food security and Good Health and Well-being
- Ensuring equal access for Women and Youth in Agriculture
- Reduction of Disaster Risks and addressing Climate Change
- Sustainable Land use Practices to address Life Below Water and Life on Land

The Committee has noted from the above that although the Ministry only highlighted its role and the various programs undertaken during the 2018 – 2019 reporting period, these programs in fact are very much aligned towards the implementation and achievement of the following SDG's;

- 1) *SDG 1 – No Poverty* 2) *SDG 2 - Zero Hunger* 3) *SDG 5 – Gender Equality*
4) *SDG 13 – Climate Action* 5) *SDG 14- Life Below Water* 6) *SDG 15 – Life on Land*

The Committee strongly recommends that proper and accurate representations and reporting of the achievements on SDGs are captured in future reports for the whole Agriculture Sector.

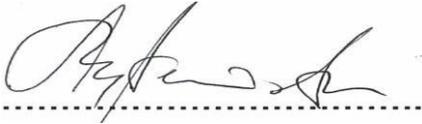
5.0 CONCLUSION

Overall, the Ministry's performance for the review period was satisfactory, however it was noted that the Ministry had a Qualified Audit Accounts and is moving towards obtaining an Unqualified Audit Report in the next financial year.

The Committee acknowledged the work of the Ministry despite the challenges faced during the period under review.

6.0 COMMITTEE MEMBERS' SIGNATURE

We, the Members of the Standing Committee on Natural Resources, hereby agree with the contents of this report:



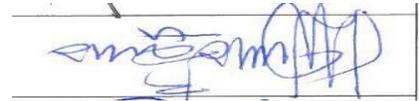
Hon. Inia Seruiratu



Hon. Isikeli Tuiwailevu



Hon. Iliesa Vanawalu



Hon. Tomasi Tunabuna



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Joseph Nand



..... Hon.
Hon. Jone Usamate

APPENDICES

Published written evidence

Written evidence and supplementary information was received from the Ministry of Agriculture and can be viewed on the Parliament website at the following link:
<http://www.parliament.gov.fj/committees/standing-committee-on-natural-resources/>