



Honourable Charan Jeath Singh
Minister for Multi-Ethnic Affairs and Sugar Industry

Reply to Written Question 14/2025

Parliament of Fiji
Government Buildings, Suva

Fri 14th Mar 2025
0930 Hours

Hon. Alvick Maharaj to ask the Minister for Multi-Ethnic Affairs and Sugar Industry –

“Can the Minister inform Parliament on the following;

- (a) How many official overseas travel engagements has the Chairman of Fiji Sugar Corporation taken since his appointment to date and to which countries; and
- (b) Total expenditure (inclusive of allowances, salary if any, travel allowances, meals and accommodation).”

1. Mister Speaker Sir, I rise to hand over my submission as a response to question raised by the Honourable Alvick Maharaj regarding the overseas travel engagements of the Chairman of the Fiji Sugar Corporation Ltd.

2. And I thank him for the question as it gives me the opportunity to give proper context to overseas travels of Fiji Sugar Corporation (FSC) Chairman. It is important to understand that these travels have been necessitated by the seriously collapsing state of FSC and the urgency to find solutions.
3. Mr. Speaker, Sir, the sugar industry remains a vital pillar of our economy, and the FSC plays a crucial role in ensuring its sustainability and growth. In this regard, strategic international engagement is necessary to foster industry partnerships, explore advancements in sugar production, and secure opportunities for the sector's future.
4. This is especially so now, given the seriously parlous and crippling state of FSC and the industry. The Chairman and his Board members, who are amongst the lowest paid in the country, have been handed a completely run-down infrastructure of ageing mill machinery, plant, buildings,

and transport network, almost 90% of them are more than 100 years old.

5. We must not forget that the FSC Board Directors are responsible for the largest public sector organisation in the country, and their oversight has a direct bearing on the livelihoods of thousands of our citizens. It is an established fact that FSC has not engaged in any level of commercially accepted principles of prudent plant maintenance, replacement and investment in new plant and machinery despite providing millions as depreciation expenses.

6. Mister Speaker, all these years of sustained neglect, lack of proper oversight, incompetence, corruption and wastages have now brought it down to its knees, gravely threatening its viability. We must not forget that one single STM project alone cost the industry nearly \$800 million in losses.

7. Mr. Speaker, Sir, let me also put on record that the Chairman has been handed a poisoned chalice in having to secure a turnaround with a debt of nearly \$400 million.

In the next 5 years, FSC requires an additional \$500 million for urgent capital and maintenance purposes. FSC is facing multiple lawsuits, one alone of \$31 million, executed for a completely one sided and reckless contract for a mere \$20,000 annual return.

8. Mister Speaker, let me also state that in the current Chairman, I have a person whose knowledge and skills are unmatched, and it will be petty for anyone to judge his competence and contributions on the basis of his travels. The fact is that FSC's revival and global competitiveness depends entirely on sourcing new technology, major upgradation of plant machinery, transport infrastructure, significantly enhanced efficiencies and diversification. The industry cannot survive without sharing the skills, knowledge and experiences of our global sugar producing countries. And this is the primary and only reason for the travels.

9. May I also point out, Sir, that his annual allowance of \$12,500 per year pales into breathtaking insignificance in

comparison to the million-dollar remuneration of the previous chairman, most notably one Abdul Khan. The 2 previous CEOs, Graham Clark and Abdul Khan were both on a million-dollar packages. In comparison, the combined salaries and allowances of both the current Chairman and CEO is less than \$350,000, annually.

10. Mister Speaker, Sir, even more disturbing is the proliferation of corruption and wastages that happened under the previous Bainimarama Govt. Abdul Khan collected nearly \$800,000 in payments, deposited directly in 7 lots of US\$50,000 each into his Westpac Bank account in Wellington New Zealand, while in the employment of FSC. Add to that was his conflict of interests arising from his private company doing business with FSC, which were not properly disclosed.

11. Mister Speaker, sir, I want to clearly highlight that all overseas travels were personally approved by me as the Minister, and the Chairman ensures that only the bare minimum number travel outside. All reports are submitted

to the Board and my Ministry and actioned promptly. Although, the Chairman is entitled to travel Business Class, he chooses to travel in economy as far as practicable. Indeed, his return trip to Brazil of some 30 hours was economy unlike the lavish indulgences of the previous govt Ministers, Chairman and officials.

12. Since his appointment, the Chairman of the FSC, Mr Nitya Reddy, has undertaken a total of five official overseas travel engagements, all of which were strategically aligned with the broader objectives of industry development and stakeholder collaboration.

13. Mister Speaker, sir, let me clarify that Mr. Reddy is employed full time as a senior finance executive and his engagement as the Chairman is an expression of his commitment to our industry, being a cane farmer's son and a former senior Accountant of the FSC. Unlike the previous FSC administrators, he is not driven by any baubles of office or financial gains. As the Minister of

Sugar Industry, I could not have found a more capable person to be the Chairman of FSC.

14. The details of the five visits are as follows:

- i. **1st Trip (November 2023)** – The Chairman attended the International Sugar Organization (ISO) Conference in London, a globally recognised forum where key sugar-producing countries and other industry experts convene to discuss market trends, regulatory developments, and industry strategies.
- ii. **2nd Trip (March-April 2024)** – The Chairman travelled to China to visit a sugar mill that the Government of Fiji was considering as a replacement mill for Rakiraki.
- iii. **3rd Trip (August 2024)** - The Chair accompanied me and other Ministry officials to Brazil to engage with one of the world's largest sugar producers. The discussions focused on best practices in sugar cane

farming, ethanol production models, and farmer incentives.

- iv. **4th Trip (September 2024)** – A delegation led by me and my former Permanent Secretary, the FSC Chairman and the CEO of FSC, travelled to Townsville, Australia, to meet the officials of Wilmar Sugars and to discuss opportunities for collaboration, market access, and sustainable sugar farming partnerships.
- v. **5th Trip (November 2024)** – The Chairman attended the ISO Conference in London, further strengthening Fiji's representation in international sugar industry discussions and ensuring Fiji's interests are well-represented in global trade negotiations.

15. The summary of these trips are as follows:

Month & Year	Country Visited	Purpose of Visit	Duration
November 2023	London/Toulouse	Attended ISO Conference London	16-29 Nov 2023
March-April 2024	China	Visit the new sugar mill factory	27 Apr 1 May 2024
August 2024	Brazil	Trip with Minister & Sugar Industry Representatives	11-16 Aug 2024
September 2024	Australia (Townsville)	Trip with Hon. Minister, PS & CEO	9-12 Sept 2024
November 2024	London	Attended London ISO Conference 2024	20-30 Nov 2024

16. Mr. Speaker, the total expenditure incurred for these overseas engagements, covering airfare, per diem allowances, and related expenses, amounted to \$111,046.

17. The total expenditure incurred for these trips, inclusive of airfare, accommodation, meals, and allowances, is detailed below:

Expense Category	Amount (FJD)
Airfare	\$84,096
Per Diem Allowance	\$23,391
Other Expenses	\$58
Travel Allowance	\$3,500
Total Expenditure	\$111,046

18. Mr. Speaker, Sir, these overseas engagements were not merely travel expenditures but rather strategic investments that will significantly contribute to the

sustainability and competitiveness of Fiji's sugar industry, bringing optimism for the future. These trips are related to four of our major strategies that includes:

18.1 Strengthening trade partnerships

Engagements with ISO, China, Brazil, and Australia aligns to our strategy of **strengthening trade partnerships**. The meetings with counterparts have opened discussions on new export markets and trade cooperation.

18.2 Technology Advancement & Cost Reduction

The visit explored modernised sugar mills and cost-effective processing techniques, which can assist in improving efficiency and reducing production costs in Fiji.

18.3 Global Market Positioning

Participation in the ISO Conference (London 2023 & 2024) allowed Fiji to have a voice in key industry discussions, ensuring that our sugar exports remain competitive in the global market.

18.4 Exploring Sugar Industry Diversification

Brazil's discussions focused on ethanol production and other by-products advancements in technologies in the sugar industry, including advancements in sugar cane research, which could be a potential diversification opportunity for Fiji's sugar industry.

19. Mr. Speaker, Sir, in the face of the ongoing challenges facing the sugar industry, it is imperative that Fiji continues to engage with international partners, leading sugar-producing countries, and key industry forums.

20. These engagements, as demonstrated by the Chairman's activities, will position Fiji's sugar sector for long-term growth, resilience, and sustainability.

21. I assure the Honourable Members that the Ministry of Sugar Industry and FSC, especially under the leadership of the Chairman, will continue to pursue initiatives that benefit our farmers, millers, and the entire sugar industry. We are committed to ensuring that Fiji remains a competitive player in the global sugar market.

22. Finally, Mister Speaker, Sir, the overseas travels have been an eye opener for us. I make it clear and confidently say that our sugar industry is at least 50 years behind all our contemporary sugarcane producers, millers and manufacturers in terms of technology, efficiency, diversification and sustainability.

23. We cannot meet these challenges cocooned in our little enclave of ignorance and incompetence. We must learn and learn fast from the rest of the world. I thank my Chairman and his team for embracing those challenges.

Thank you, Mister Speaker Sir.
