STANDING COMMITTEE ON NATURAL RESOURCES

Review Report on the Ministry of Agriculture Annual Report for the Period 2022-2023



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CHAIRPERSON'S FOREWORD



On behalf of the Standing Committee on Natural Resources, I have the honour to present to Parliament the Committee's Review Report on the Ministry of Agriculture Annual Report for the 2022–2023 financial year.

The Ministry of Agriculture plays a significant role in supporting agricultural production, food security, rural livelihoods and economic development in Fiji. The effective delivery of agricultural programmes is essential to improving productivity, supporting farmers, strengthening agricultural markets and ensuring the sustainable use of natural resources.
In undertaking this review, the Committee examined the Ministry's Annual Report and engaged with relevant stakeholders to obtain further information on agricultural programmes, institutional responsibilities, implementation challenges and opportunities for improvement.

The Committee's review activities commenced with visits to crop and livestock farmers in the Central, Western and Northern Divisions from Monday, 31 August to Friday, 4 September 2026. The Committee also hosted a joint closed session in Parliament in September 2026 with stakeholders including the Fiji Development Bank, Ministry of Environment, Biosecurity Authority of Fiji, Agricultural Marketing Authority, Fiji Cooperative Dairy Company Limited and i-Taukei Land Trust Board. The Committee received the Ministry of Agriculture's oral submission on Wednesday, 21 October 2026. Finally, the Committee undertook a one-day verification visit to the Fiji Cooperative Dairy Company Limited and the Agricultural Marketing Authority in Nausori.

The Committee considered matters relating to land access, agricultural marketing, biosecurity, agricultural financing, programme implementation, financial accountability and the participation of women and young people in agriculture.

The review provided an opportunity for the Committee to examine the extent to which the Ministry's reported activities and achievements were supported by measurable results and adequate reporting. It also highlighted the importance of effective coordination between the Ministry and institutions responsible for supporting agricultural development.

The Committee acknowledges the Ministry's reported achievement of a 19.1 per cent increase in overall agricultural production and a 13.2 per cent increase in crop production during the 2022–2023 financial year. While these results are encouraging, the focus must remain on sustaining growth and ensuring that it translates into improved productivity, higher incomes and better livelihoods for farmers.

The Committee's recommendations are directed towards strengthening programme performance, improving accountability, enhancing services to farmers and ensuring that agricultural development remains inclusive and sustainable.

I acknowledge the cooperation of the Ministry of Agriculture, Fiji Cooperative Dairy Company Limited, Agricultural Marketing Authority, i-Taukei Land Trust Board, Biosecurity Authority of Fiji, Fiji Development Bank, Ministry of Environment and all other stakeholders who contributed to the review. I also acknowledge the contributions of Committee Members and the Secretariat.

The Committee submits this report for the consideration of Parliament and trusts that its recommendations will assist in improving the delivery and oversight of agricultural programmes in Fiji.



.....
Hon. Kalaveti Ravu
Chairperson
Standing Committee on Natural Resources

ABBREVIATIONS AND ACRONYMS

ACRONMY	DESCRIPTION
AMA	Agriculture Marketing Authority
BAF	Biosecurity Authority of Fiji
FCDCL	Fiji Cooperation Dairy Company Limited
FDB	Fiji Development Bank
iTLTB	i-Taukei Land Trust Board
SDGs	Sustainable Development Goals

1.0 INTRODUCTION

The Ministry of Agriculture Annual Report for the 2022–2023 financial year was referred to the Standing Committee on Natural Resources on 28 November 2025 for consideration, examination and reporting to Parliament.

The examination was undertaken pursuant to the Committee's mandate under Standing Order 109(c) and the powers conferred by Standing Order 110(1)(c) of the Standing Orders of Parliament. These provisions establish the Committee's responsibility to consider matters within its portfolio and scrutinise the performance, administration and operations of Government departments and entities under its purview.

The Ministry of Agriculture plays an important role in developing Fiji's agricultural sector through policies, programmes and initiatives that support farmers, improve agricultural production and productivity, promote commercial agriculture and strengthen food and nutrition security.

The Ministry's performance is therefore significant to rural livelihoods, employment, household income and national economic development.

In carrying out its examination, the Committee considered the Annual Report, with particular attention to the Ministry's key programmes, reported achievements, service delivery and challenges encountered during the reporting period.

The Committee also considered the extent to which the Ministry's activities contributed to its stated objectives and the effective utilisation of public resources.

This Report sets out the Committee's observations, findings and recommendations arising from the examination. It identifies matters requiring parliamentary attention and supports stronger accountability and effectiveness in the implementation of agricultural policies and programmes.

1.1 Overview of the Ministry of Agriculture

The Committee acknowledges the broad scope of responsibilities undertaken by the Ministry of Agriculture. The Ministry supports farmers and agricultural communities through extension services, production support, research, livestock development, crop development, agricultural marketing, food security initiatives, biosecurity-related functions and commercial agricultural development.

The Committee recognises that agricultural development requires coordination among Government agencies, farmers, private-sector operators, development partners, financial institutions, exporters, processors and market actors. Effective coordination and accountability across the agricultural value chain are therefore essential.

2.0 COMMITTEE REMIT AND COMPOSITION

2.1 Committee Remit

Under Standing Order 109 (c) of the Parliament of Fiji, the Standing Committee on Natural Resources is mandated to perform the following functions:

Scrutinize government departments and agencies, review annual reports, examine policies and legislations, monitor resource management programs, conduct public consultations, investigate issues and challenges, review budget allocations, and report to Parliament its findings and recommendations for improvement.

Under Standing Order 109(c) of the Parliament of Fiji, the Standing Committee on Natural Resources is mandated to examine and report to Parliament on matters referred to it, including annual reports, policies, legislation, budgetary matters and the performance of Government departments and agencies within its portfolio.

2.2 Committee Secretariat

The Committee was assisted by the Parliamentary Secretariat in undertaking its scrutiny, coordinating meetings and correspondence, gathering evidence, preparing documentation and compiling this Report.

2.3 Committee Composition



Hon. Kalaveti Ravu
Chairperson



Hon. Joseph Nand
Deputy Chairperson



Hon. Shalen Kumar
Assistant Minister for Multi – Ethnic, Culture, Heritage & Arts
Government MP



Hon. Taito Rokomatu
Government MP



Hon. Vijay Nath
Opposition MP

2.4 Procedure and Program

The Committee undertook a review of the Ministry of Agriculture's Annual Report for the 2022-2023 financial year through examination of the report, site visits and consultations with relevant stakeholders.

Site visits were conducted in the Central, Western and Northern Divisions to obtain first-hand information on the conditions, challenges and issues affecting farmers and agricultural activities.

The Committee also conducted a one-day site visit to the Agricultural Marketing Authority and Fiji Cooperative Dairy Company Limited in Nausori to observe their operations and assess their role in supporting farmers and agricultural development.

The review process included a closed meeting in Parliament and a joint meeting with representatives from the Agricultural Marketing Authority, Fiji Development Bank, Biosecurity Authority of Fiji, Fiji Cooperative Dairy Company Limited, Ministry of Environment and i-Taukei Land Trust Board.

These engagements enabled the Committee to obtain further clarifications, hear directly from stakeholders and consider practical challenges in implementing agricultural programmes.

Written and oral submissions were received from the Ministry of Agriculture, Fiji Cooperative Dairy Company Limited, Agricultural Marketing Authority, Biosecurity Authority of Fiji, Ministry of Environment, Fiji Development Bank and i-Taukei Land Trust Board.

Evidence and advice received: refer to Annexures 1–4.

Copies of written and oral submissions were received from *MOAGRI, FCDCL, AMA, BIOSECURITY OF FIJI, MINISTRY OF ENVIRONMENT, FDB, ITLTB.*

Evidence and Advice Received - Please Refer to Annexure 5

3.0 COMMITTEE DELIBERATIONS AND ANALYSIS

3.1 Committee Findings and Observations

The Committee examined the Ministry's reported performance, programme implementation and service delivery during the 2022–2023 financial year. Its examination was informed by site visits to agricultural operations and registered farmers across the Central, Northern and Western Divisions, as well as visits to the Agricultural Marketing Authority and Fiji Cooperative Dairy Company Limited in Nausori.

The Committee also convened a closed-session meeting at Parliament with key stakeholders, including the Biosecurity Authority of Fiji, Fiji Development Bank, i-Taukei Land Trust Board and Ministry of Environment. These engagements provided additional information on the challenges, opportunities and institutional issues affecting agricultural development and service delivery in Fiji.

The Committee's findings address farmer support, production and productivity, market access, commercial agriculture, access to finance and land, institutional coordination and the utilisation of public resources.

3.2 Strategic Performance

The Committee notes positively the Ministry's reported performance in several areas.
The Annual Report states that total agricultural production increased by 19.1 per cent in 2022–2023, exceeding the targeted 15 per cent increase. Crop production increased by 13.2 per cent, exceeding the 5 per cent target.

The Committee also notes the reported significant increase in livestock production, with poultry production identified as a principal contributor.

While the reported increases in production are encouraging, production statistics alone do not provide a complete assessment of agricultural-sector performance. Increased production must be supported by adequate market access, fair and sustainable farm-gate prices, reliable transportation, post-harvest handling, storage and cold-chain facilities where required, processing and value addition, access to finance, reliable agricultural inputs and appropriate extension and technical support.

3.3 Agricultural Production and Productivity

The Committee acknowledges the Ministry's reported progress in agricultural production. The reported 19.1 per cent increase in overall production and 13.2 per cent increase in crop production demonstrate positive movement against the Ministry's production targets.

However, the Committee notes that agricultural productivity remains affected by access to quality planting material, availability and affordability of inputs, technical knowledge, land availability and utilisation, climate-related risks, pests and diseases, access to finance, mechanisation and market certainty.

3.4 Food Security and Nutrition

The Committee recognises the importance of domestic agricultural production in strengthening Fiji's food and nutrition security.

The Ministry's Annual Report identifies food security and nutrition as an important area of Government intervention. The Committee considers that food security requires a coordinated approach encompassing production, affordability, distribution, market access, dietary diversity, climate resilience and food safety.

3.5 Agricultural Marketing and Market Access

The Committee considers the Agricultural Marketing Authority to be a significant institution in the agricultural marketing chain.

The Authority was established under the Agricultural Marketing Authority Act No. 2 of 2004 to facilitate the purchase, sale and exportation of agricultural produce. It commenced trading as Fijiagromarketing in December 2004 and operates under the ambit of the Ministry of Agriculture.

The Authority's functions include assisting producers to market their produce, identifying markets, facilitating and developing the marketing of agricultural, and aquaculture produce, and purchasing,

selling and exporting such produce. Its role also includes serving inaccessible, rural, remote and maritime farming communities and supporting improvements in farmer livelihoods through employment and income generation.

The effectiveness of the Authority should be assessed not simply by the volume of produce purchased or sold, but by its measurable impact on farmers. Assessment should include the number of farmers benefiting, volume and value of produce marketed, farmer prices achieved, geographical coverage, market destinations, exports, post-harvest losses avoided, value-added products developed, payment timelines to farmers and operating costs relative to benefits delivered.

3.6 Agricultural Marketing Authority - Fijiagromarketing

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The effectiveness of the Authority should be assessed not simply by the volume of produce purchased or sold, but by its measurable impact on farmers. Assessment should include the number of farmers benefiting, volume and value of produce marketed, farmer prices achieved, geographical coverage, market destinations, exports, post-harvest losses avoided, value-added products developed, payment timelines to farmers and operating costs relative to benefits delivered.

3.7 AMA Nausori Site Verification

The Committee undertook a physical verification visit to the Agricultural Marketing Authority — Fijiagromarketing operational site in Nausori.

The purpose of the visit was to:

- Verify the operational functions of the facility.
- Assess the infrastructure available for receiving and handling agricultural produce.
- Understand the processes for purchasing and marketing farmers' produce.
- Examine the availability and condition of storage and related facilities.
- Understand the process through which farmers are linked to markets.
- Obtain clarification on operational challenges.
- Assess the extent to which the facility supports rural and maritime farmers.

3.7.1 Committee's Findings

The Committee notes the operational challenges highlighted during its engagement with the Agricultural Marketing Authority (AMA), particularly in relation to market access for rural, remote and maritime farmers, inadequate collection and storage infrastructure, grading and rejection of dalo, and delays in farmer payments.

The Committee acknowledges AMA's role in facilitating market access for agricultural producers but notes that geographical accessibility, transportation costs, produce perishability and limited infrastructure continue to affect service delivery to farmers in isolated communities.

The Committee also notes AMA's intention to expand its collection facilities, subject to land availability and infrastructure requirements, including access to electricity.

The Committee further notes concerns raised by farmers regarding the transparency of dalo grading and rejection procedures, particularly delays in notifying farmers of rejected produce and providing supporting photographic evidence. In addition, AMA acknowledged that payment delays had occurred, attributing these partly to cash-flow constraints, increased operating costs and delays in receiving payments from overseas customers.

The Committee recommends that AMA strengthen its collection and transportation arrangements for remote farmers, improve storage infrastructure, review its standard operating procedures for grading and rejection of produce, and ensure timely communication of quality assessments to farmers. The Committee also emphasises the importance of improving payment arrangements to ensure farmers receive payment within reasonable timeframes.

3.8 Agricultural Extension Services

The Committee acknowledges the importance of agricultural extension services in transferring technical knowledge to farmers.

The Ministry identified the improvement and expansion of effective agricultural extension services as one of its priorities during the reporting period. The Committee considers extension services essential in supporting farmers to improve production techniques, adopt climate-smart practices, control pests and diseases, improve post-harvest handling, adopt appropriate technologies, meet market standards and transition from subsistence to commercial production.

3.9 Livestock Development

The Committee notes the positive performance reported in livestock production. The Annual Report indicates significant growth in livestock production during 2022–2023, with poultry production identified as a major contributor.
The Committee considers that continued livestock development should be supported by animal health services, quality feed, improved genetics, biosecurity, farmer training, reliable markets, processing capacity and appropriate infrastructure.

3.10 Biosecurity, Plant Protection and Animal Health

The Committee recognises that Fiji's agricultural sector is vulnerable to plant pests, animal diseases and other biosecurity threats. Strong preventive measures are essential because a major disease or pest incursion could significantly affect food security, farmer livelihoods and agricultural exports.

3.11 Climate Change and Disaster Resilience

The Committee recognises climate change as a major risk to Fiji's agricultural sector. Farmers continue to face risks associated with cyclones, floods, droughts, changing rainfall patterns, coastal impacts and other climate-related events. The Committee therefore considers climate resilience to be integral to agricultural policy and planning.

3.12 Commercial Agriculture and Value Addition

The Committee supports the Ministry's emphasis on commercial agriculture. However, commercialisation requires more than increasing production. Farmers require predictable markets, access to finance, appropriate technology, business skills, processing facilities and reliable infrastructure. Value addition can increase the economic return from agricultural products and reduce dependence on the sale of raw produce.

3.13 Research, Innovation and Agricultural Technology

The Committee recognises the importance of agricultural research and innovation in improving productivity and resilience. Research should respond to practical challenges faced by farmers and should result in technologies and practices that can be adopted at farm level.

3.14 Financial and Budgetary Performance

The Committee recognises that effective financial management is central to the successful delivery of Government agricultural programmes.
The Committee notes that scrutiny of financial performance should consider budget allocation, actual expenditure, variances, programme output, procurement, capital expenditure, revenue, outstanding obligations and value for money.

3.14.1 Budget Allocation and Expenditure

The Committee noted that the Ministry was allocated an annual budget of $64.14 million for the 2022–2023 financial year. The Fourth Quarter Appropriation Statement recorded projected expenditure of $54.84 million, against which actual expenditure amounted to $50.21 million, leaving an unspent balance of $4.62 million against the projected expenditure.

The statement covers expenditure for **1 August 2022 to 31 July 2023**. The Ministry of Agriculture is listed under **Head 30**.

Financial item	Amount (FJD)
Annual budget	$64,136,947
Projected expenditure	$54,836,947
Actual expenditure, full year	$50,212,401
Actual expenditure, May–July 2023	$17,028,264

Source note: These are the figures published in the appropriation statement. The document notes that the figures are unaudited and sourced from the Financial Management Information System (FMIS).

3.15 Governance, Accountability and Institutional Capacity

The Committee considers good governance and institutional accountability essential to the delivery of agricultural services.

The Committee encourages the Ministry to ensure clear lines of responsibility, timely reporting, effective internal controls, appropriate procurement practices, effective monitoring and evaluation, adequate staffing, regular performance reviews and timely implementation of audit and review recommendations.

The Committee also considers that agencies operating under the Ministry's ambit should maintain appropriate accountability mechanisms and provide timely information to the Ministry and Parliament when required.

3.16 Committee's Overall Assessment

The Committee acknowledges the Ministry's achievements during the 2022–2023 financial year, particularly the reported growth in agricultural production.
The reported 19.1 per cent increase in total agricultural production and 13.2 per cent increase in crop production demonstrate positive progress against the Ministry's stated targets.

However, the Committee considers that the ultimate measure of agricultural-sector performance should extend beyond production volumes. Increased production should translate into increased farmer income, improved food security, sustainable livelihoods, reliable market access, reduced post-harvest losses, increased value addition, improved rural employment and greater resilience to climate and market shocks.

The Committee therefore places significant emphasis on strengthening the relationship between production and marketing. The role of the Agricultural Marketing Authority is particularly relevant in this regard.

The Committee is of the view that Government should continue to strengthen institutional coordination between the Ministry, the Agricultural Marketing Authority and other relevant agencies to ensure that farmers receive practical and measurable benefits from agricultural development programmes.

4.0 COMMITTEE RECOMMENDATIONS

The Committee makes the following recommendations:

Recommendation 1

The Ministry should develop and implement, by 30 June 2027, an outcome-based monitoring and evaluation framework to assess the overall impact of agricultural programmes on farmer income, market access, post-harvest losses, value addition, export performance and household food security, in addition to measuring agricultural production volumes.

Recommendation 2

The Ministry should strengthen programmes to improve agricultural productivity per hectare and per farmer, establish annual targets for priority crops and livestock, and report progress against these targets in its Annual Report.

Recommendation 3

The Ministry should strengthen coordination between agricultural production, food security and nutrition programmes, and establish measurable indicators to demonstrate how agricultural interventions contribute to improved household food security, dietary diversity and access to affordable, nutritious food.

Recommendation 4

The Ministry should develop and implement a national agricultural market-linkage framework by 30 June 2027, identifying major production areas, available markets, market demand, production volumes, post-harvest requirements, transport and logistics needs, processing and value-addition opportunities, and potential export markets.

Recommendation 5

The Ministry should work with the Agricultural Marketing Authority (AMA) to strengthen performance reporting through measurable indicators covering farmer participation, volumes and value of produce marketed, prices paid to farmers, payment timelines, market destinations, exports, post-harvest losses avoided, value-added products and improvements in farmer income.

Recommendation 6

The Ministry should, in collaboration with the Agricultural Marketing Authority (AMA), develop and implement a costed operational improvement plan within six months of the adoption of this Report, addressing the infrastructure, equipment, staffing, storage, transport, logistics and market-linkage constraints identified through the Committee's site verification.

Recommendation 7

The Ministry should strengthen agricultural extension services through adequate staffing, regular field visits, improved digital extension platforms, farmer training, climate-smart agriculture training and market-oriented production advice, while strengthening the monitoring of outcomes at farmer level.

Recommendation 8

The Ministry should continue strengthening livestock development programmes while improving the monitoring of livestock productivity, animal health, farmer profitability, feed availability, processing capacity and market outcomes.

Recommendation 9

The Ministry should continue to strengthen investment in biosecurity preparedness, surveillance, farmer awareness, laboratory capacity, border protection and rapid-response mechanisms for agricultural pests and diseases, and report annually on the country's biosecurity readiness and response capacity.

Recommendation 10

The Ministry should mainstream climate-resilient agricultural practices into all major agricultural programmes and strengthen farmers' access to climate-smart technologies, resilient planting materials, technical advice, crop insurance options where available, and disaster-preparedness measures.

Recommendation 11

The Ministry should strengthen partnerships with the private sector to promote agro-processing, packaging, branding, product development, export readiness, farmer aggregation and, where appropriate, contract farming.

Recommendation 12

The Ministry should strengthen collaboration between agricultural research institutions, extension officers, farmers and commercial operators to promote applied agricultural research, innovation and the development of improved technologies, crop varieties and farming practices, ensuring that research findings are translated into practical and adoptable applications at farm level.

Recommendation 13

The Ministry should strengthen programme-based financial reporting to enable Parliament to assess the relationship between budget allocations, expenditure, outputs, outcomes and value for money, and report annually on budget allocations, expenditure, variances, programme delivery and outstanding commitments.

Recommendation 14

The Ministry should strengthen governance, monitoring, accountability and institutional coordination across agencies operating within its ambit, including ensuring the timely implementation of internal audit, external audit and parliamentary review recommendations.

Recommendation 15

The Committee recommends that the Ministry strengthen its efforts to ensure equal opportunities for women and men in the agriculture sector, with measurable outcomes demonstrating women's participation, economic empowerment and contribution to national agricultural development.

Recommendation 16

The Ministry should submit to Parliament a written progress report on the implementation of the Committee's recommendations within six months of the adoption of this Report and provide subsequent updates on their implementation in its Annual Reports until all recommendations have been fully implemented.

Recommendation 17

The Committee recommends that the Ministry strengthen its monitoring and reporting of the implementation of its five strategic priorities and 17 targeted outcomes, with clear performance indicators to demonstrate progress and its contribution towards the relevant SDGs.

Recommendation 18

The Ministry should strengthen reporting on the implementation of its five strategic priorities and 17 targeted outcomes, ensuring that progress against each priority is regularly assessed and reported to Parliament, including its contribution towards the relevant Sustainable Development Goals (SDGs).

5.0 GENDER ANALYSIS – SDG 5

Standing Order (SO), 110 (2) states that "*Where a Committee conducts an activity listed in clause (1) the Committee shall ensure that full consideration will be given to the principle of gender equality to ensure all matters are considered with regard to the impact and benefit on both men and women equally".*

The Committee notes that the Ministry of Agriculture recognises gender equality and women's empowerment as important components of inclusive and sustainable agricultural development, in line with Sustainable Development Goal 5 (SDG 5). The Ministry's Gender in Agriculture Policy 2022–2027 provides a framework for promoting equal participation of women and men in agricultural activities, improving women's access to productive resources and services, and strengthening their economic empowerment and involvement in decision-making.

The 2020 Fiji Agriculture Census recorded 11,971 female farmers out of a total of 83,395 farmers, representing approximately 14.4%. This highlights the significant need to strengthen women's participation, recognition and access to agricultural opportunities.

The Committee acknowledges women's contributions to crop production, livestock management, food security, processing and rural livelihoods. However, challenges remain in accessing land, finance, agricultural inputs, technology, training and markets, as well as in balancing agricultural activities with unpaid household and caregiving responsibilities.

The Committee therefore emphasises the need for the Ministry to strengthen the implementation of its Gender in Agriculture Policy through gender-responsive planning and budgeting, targeted support for women farmers, improved access to agricultural services and the collection of sex-disaggregated data to monitor progress.

6.0 SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The Committee notes that the Ministry of Agriculture's Strategic Development Plan identifies five strategic priorities and 17 targeted outcomes, which are aligned with Fiji's National Development Plan and the United Nations Sustainable Development Goals (SDGs.

The Ministry's strategic priorities are linked to the following 11 SDGs:

1. SDG 1 – No Poverty
2. SDG 2 – Zero Hunger
3. SDG 3 – Good Health and Well-being
4. SDG 4 – Quality Education
5. SDG 5 – Gender Equality
6. SDG 8 – Decent Work and Economic Growth
7. SDG 9 – Industry, Innovation and Infrastructure
8. SDG 12 – Responsible Consumption and Production
9. SDG 13 – Climate Action
10. SDG 15 – Life on Land
11. SDG 16 – Peace, Justice and Strong Institutions.

The Committee further notes that the Ministry's five strategic priorities focus on improving food and nutrition security, increasing farmer household incomes, promoting sustainable resource management and climate-smart agriculture, strengthening commercial agriculture, and improving public sector performance and service delivery.

The Committee acknowledges the Ministry's alignment of its strategic priorities with Fiji's national development objectives and the global SDG commitments. However, the identification of these linkages should be distinguished from actual achievements of the SDG targets. The Ministry should therefore ensure that future reporting provides measurable evidence of progress and results against the relevant SDG indicators.

7.0 CONCLUSION

The Committee acknowledges the Ministry of Agriculture's mandate and its contribution to Fiji's agricultural development through programmes and initiatives aimed at improving food and nutrition security, increasing farmer household incomes, promoting sustainable resource management and climate-smart agriculture, strengthening commercial agriculture, and improving public sector performance and service delivery.

The Committee notes that the Ministry's activities during the 2022–2023 financial year were guided by its strategic priorities, which support national development objectives and contribute towards Fiji's commitments under the United Nations Sustainable Development Goals.

The Committee recognises the importance of the agriculture sector in supporting food security, rural livelihoods, employment opportunities and economic development. The review also highlights the need for continued attention to sustainable agricultural practices, climate resilience, gender equality and improved support services for farmers.

The Committee emphasises the importance of strengthening programme implementation, monitoring and evaluation, and performance reporting to ensure that the Ministry's planned activities translate into measurable outcomes.

The Committee further encourages the Ministry to take into consideration the observations and recommendations contained in this report and to strengthen its accountability mechanisms through regular reporting on progress and implementation.

In conclusion, the Committee acknowledges the Ministry's efforts in carrying out its responsibilities during the 2022–2023 financial year and underscores the importance of continuous improvement in service delivery, effective utilisation of public resources and accountability in the implementation of its programmes.

The Committee hereby submits its findings and recommendations on the Ministry of Agriculture Annual Report 2022–2023 to Parliament for consideration.

8.0 MEMBER'S SIGNATURE:

We, as Members of the Standing Committee on Natural Resources do concur with the content of this report.

Hon. Kalaveti Ravu
Chairperson



……..

Hon. Joseph Nand
Deputy Chairperson



…….

Hon. Shalen Kumar



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Hon. Taito Rokomatu



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Hon. Vijay Nath



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APPENDICES

1) **WRITTEN SUBMISSION**

2) **VERBATIM REPORT**

3) **RESEARCH PAPERS**

4) **PHOTOS**

5) **ADDITIONAL INFORMATION**

APPENDICES

Appendix 1

Written Submission by the Ministry of Agriculture 2022 - 2023

PARLIAMENT STANDING COMMITTEE ON NATURAL RESOURCES SCRUTINY QUESTIONS FOR THE 2022–2023 ANNUAL REPORT

STANDING COMMITTEE QUESTIONS
A. Overall Performance and Implementation
1) The Ministry's Annual Report identifies the **promotion of commercial agriculture** as one of its key objectives. To what extent did the Ministry achieve this objective during the 2022–2023 financial year?
Performance was assessed against the Ministry's approved Annual Corporate Plan, Key Performance Indicators, and programme targets. Overall, the Ministry achieved its planned outputs.
The Ministry made substantial progress in advancing commercial agriculture during the 2022–2023 financial year. A total of FJD22 million was allocated under Strategic Priority 4 to support commercial agriculture initiatives focused on improving productivity, market participation, trade, and agribusiness development.
Key interventions included the Commercial Farmers Equity Package, the Commercial Agriculture Development Programme (CADP), farm mechanization support, irrigation and borehole development, livestock production initiatives, and programmes designed to strengthen linkages between agriculture and the tourism sector. Through these interventions, the Ministry supported more than 700 farmers, while 174 farmers received direct assistance under the CADP projects valued at approximately $809,000. Other major investments included the provision of 30 sheep sheds, 26 goat sheds, 30 irrigation kits, 22 boreholes, 27 beef fencing kits, 30 horse harnesses, and 9 hydroponic systems. These interventions were designed to improve farm infrastructure, strengthen livestock management, enhance access to water for agricultural

production, and encourage the adoption of modern and climate-resilient farming technologies.

Export performance remained positive, with fresh and chilled agricultural exports increasing in both value and volume compared with the previous year. The value of fresh and chilled agricultural exports increased by 1.3% (FJ$129.7) million, while export volume increased by 2.6% (15,719.9 tonnes) compared with the previous year. These outcomes reflect increased commercial production, improved market access opportunities, and continued support provided to export-oriented farmers and agribusinesses.

2) Where the Ministry did not fully achieve its planned targets for the 2022–2023 financial year, what were the main contributing factors, and what corrective measures were undertaken?

While the Ministry achieved significant progress across its strategic priorities during the 2022-2023 financial year, several challenges affected the full achievement of some targets and programme outcomes.

Following the December 2022 General Election, the transition to a new Government resulted in changes in ministerial leadership and policy direction, requiring the Ministry to continue implementing its approved work programme while aligning with new priorities. Resource constraints affected the implementation and monitoring of some activities, while staffing shortages, vacancies in key positions, and workforce restructuring challenges impacted organisational capacity and service delivery.

Additionally, delays in office and staff quarters maintenance, together with broader administrative and implementation challenges, affected the pace of programme delivery. External pressures arising from the lingering effects of the COVID-19 pandemic and global economic disruptions, including the Russia-Ukraine conflict, continued to impact the agricultural sector.

In response, the Ministry implemented a range of corrective measures to strengthen performance and institutional effectiveness. These included:

- **the continuation of farmer assistance programmes,**
- **expansion of mechanisation and commercial agriculture initiatives,**
- **ongoing recruitment efforts to fill vacant positions,**
- **appointment of leadership personnel, and**
- **the review of organisational structures through an EU-funded reorganisation assessment.**

The Ministry also strengthened programme oversight through post-implementation reviews, continued monitoring of expenditure and capital programmes, and enhanced alignment between operational activities and strategic priorities.

Despite these challenges, the Ministry maintained momentum in delivering services and support to farmers while laying the foundation for improved organizational performance, stronger programme monitoring, greater accountability, and increased progress toward agricultural growth, import substitution, food security, and sustainable rural development.

B. Farmer Support and Extension Services

3) The Annual Report places emphasis on improving agricultural extension services. How many farmers were reached through these services during the 2022–2023 financial year, and how does the Ministry measure their effectiveness?

During the 2022–2023 financial year, the Ministry's Crop Extension services reached a total of 2,296 farmers, comprising 759 female farmers and 1,537 male farmers. These engagements were delivered through a range of extension activities, including farmer training programmes, farm visits, field verification exercises, technical advisory services, and field days. The reported figures are derived from Crop Extension Acquittal Reports.

The effectiveness of extension services were assessed through their contribution to broader sectoral outcomes, including:

STANDING COMMITTEE QUESTIONS

- **Increased participation of farmers in existing and emerging market opportunities;**
- **Improvement in farm productivity and agricultural output;**
- **Enhanced production of resilient, safe, and nutritious food systems; and**
- **Greater participation of women and youth in agricultural enterprises and value chains.**

4) What mechanisms did the Ministry have in place during the 2022–2023 financial year to identify and respond to the specific challenges faced by smallholder and commercial farmers?

The Ministry adopted a multi-channel, farmer-centered approach to identify and respond to challenges experienced by both smallholder and commercial farmers. Central to this approach were the Ministry's extension services, which served as the primary interface between farmers and Government support programmes. Through regular farm visits, extension officers conducted on-site assessments, prepared management and property reports, identified production constraints, and prioritized interventions based on farmers' needs.

In addition, farmers were able to formally express their interest in Ministry assistance programmes through Expressions of Interest and online application platforms. These mechanisms enabled the Ministry to systematically capture farmer needs, assess eligibility, and target support accordingly.

To further strengthen accessibility and responsiveness, the Ministry maintained dedicated communication channels, including its Helpline and Helpdesk services, which provided farmers with a direct avenue to seek technical advice, report challenges, and obtain timely information on available support measures.

The Ministry also embarked on establishing a Digital Platform for efficient reporting and monitoring and evaluation, which was later launched in 2023 and is known as the VitiAgri Data Hub.

STANDING COMMITTEE QUESTIONS

C. Agricultural Production and Food Security

5) Which major agricultural commodities were targeted for increased production during the 2022–2023 financial year, and what evidence can the Ministry provide to demonstrate that its programmes contributed to increased production?

The Ministry's production enhancement efforts during the 2022–2023 financial year focused on several priority commodities of strategic economic and food security importance, including but not limited to:

- **Dalo (Taro),**
- **Ginger,**
- **Turmeric,**
- **Yaqona (Kava), and**
- **Biosecurity Authority of Fiji (BAF)-regulated export commodities.**

Evidence of production performance and sector growth is captured through the Ministry's official agricultural statistics and monitoring systems. In particular, the Fiji Agricultural Statistics Data Library, available through the Ministry's website, provides empirical data on production trends, commodity performance, and sector outputs, serving as a key source for assessing the contribution of Ministry programmes towards increased agricultural production.

The Ministry continues to utilise these data systems to monitor progress, evaluate programme outcomes, and inform evidence-based policy and investment decisions aimed at strengthening the resilience, productivity, and competitiveness of Fiji's agricultural sector.

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D. Market Access and Fiji Agro-Marketing

6) In relation to Fiji Agro-Marketing: What role did the entity play in providing farmers with reliable market access during the 2022–2023 financial year?

During the 2022–2023 financial year, the Fiji Agro-Marketing Authority (AMA) played a critical role in strengthening market access for farmers by serving as a reliable aggregation, procurement, and marketing channel for agricultural produce across Fiji. AMA procured and marketed a diverse range of commodities, including Dalo, Cassava, Yams, Kumala, Chestnuts, Duruka, Jackfruit, Breadfruit, Coconuts, Fish, Yaqona, Turmeric, Ginger, and Assorted Vegetables sourced from farmers in the Northern Division, Viti Levu, and the Maritime Islands.

As one of the registered exporters with the Biosecurity Authority of Fiji (BAF), AMA provided farmers with a dependable pathway to both domestic and export markets while supporting greater participation in commercial agriculture. Through its established farmer network and market linkages, AMA helped improve market certainty, facilitate the movement of produce, and reduce barriers to market access, particularly for farmers operating in remote and maritime communities.

To enhance inclusivity and accessibility, AMA undertook direct farm-gate collection where feasible and provided freight assistance for produce transported from the Maritime Islands. These interventions reduced logistical constraints and enabled farmers from geographically isolated areas to participate more effectively in market opportunities.

AMA further strengthened farmer engagement through ongoing outreach and awareness activities, including consultations in farming communities, participation in Ministry-led training programmes and agricultural shows, and the dissemination of market information through digital platforms and agricultural networks. These efforts contributed to stronger market connectivity and improved awareness of available marketing opportunities among farming communities nationwide.

7) How many farmers benefited from its marketing and produce aggregation activities during that financial year?

During the 2022–2023 financial year, approximately 1,219 farmers benefited from AMA's produce aggregation and marketing services.

This number reflects farmers supplying a range of commodities for both domestic and export markets. While participation levels varied

throughout the year due to seasonal production patterns and the commodity mix, AMA's services provided farmers with improved access to market opportunities, strengthened value chain participation, and enhanced opportunities for income generation. Through its aggregation and marketing functions, AMA contributed to improving market connectivity and supporting the livelihoods of farming households across Fiji.

E. Fiji Co-operative Dairy Company Limited

8) With respect to the Fiji Co-operative Dairy Company Limited, what support did the Ministry provide to dairy farmers during the 2022–2023 financial year to improve milk production, milk quality, animal health, and farm productivity?

The Ministry of Agriculture and Waterways provided a grant of $1.2 million to the Fiji Cooperative Dairy Company Limited (FCDCL) during the 2022–2023 financial year to strengthen the sustainability, productivity, and competitiveness of Fiji's dairy industry. The intervention was strategically designed to address key constraints affecting smallholder dairy farmers, including rising production costs, milk quality standards, animal nutrition, farm infrastructure, and access to extension services. The investment was focused on improving milk production, enhancing herd health, increasing farm productivity, and supporting the long-term viability of the sector.

A significant proportion of the grant, $727,078, was allocated to the cartage of raw milk, enabling 227 dairy farmers to continue collecting and supplying fresh milk to Fiji Dairy Limited through contracted transport services. This support facilitated the delivery of 5.9 million litres of milk in 2023, ensuring uninterrupted market access for producers. Additional investments in calf milk replacer, calf grower feed, dairy mash, and pasture establishment enhanced animal nutrition and herd development, benefiting all participating farmers while supporting the raising of approximately 1,400 replacement calves and heifers and the establishment of 40 acres of improved pasture.

The grant also supported critical on-farm infrastructure improvements, including farm roads, drainage, and water reticulation systems for 18 farmers, while strengthening advisory and extension services through the engagement of four Dairy Advisory Officers. These officers played a vital role in delivering technical support, farmer training, animal health services, milk quality improvement programmes, and farm record

management. Collectively, these interventions contributed to greater operational efficiency, improved livestock management practices, and enhanced productivity across participating dairy farms.

The outcomes of the programme demonstrate its effectiveness. Despite a decline in the number of operating dairy farms from 243 in 2021 to 240 in 2022, national milk production increased by 3.6%, indicating a measurable improvement in farm-level productivity and sector resilience. The Ministry assesses that, without this targeted government intervention, many smallholder dairy farmers would have faced significant challenges in absorbing escalating input costs, leading to further farm closures and a decline in domestic milk production. The grant therefore served not only as a production support measure but also as a strategic investment in safeguarding livelihoods, maintaining domestic dairy supply, and strengthening the long-term sustainability of Fiji's dairy industry.

F. Financial Management and Accountability

9) What were the reasons for any significant variances between the approved budget and actual expenditure for the 2022–2023 financial year, particularly in programmes where expenditure was substantially below or above the approved allocation?

The major variances between expenditure categories in 2022–2023:

- **Travel and Communications expenditure decreased by $88,204 (13%). This reduction was primarily driven by lower expenditure under the telephone allocation vote, reflecting improved cost management measures and more efficient utilization of communication resources across the Ministry.**

- **Purchase of Goods and Services expenditure increased by $326,189 (75%). The increase was principally attributable to the transfer of the ongoing Agriculture Statistics Programme allocation from SEG 7 to SEG 5, resulting in a higher level of expenditure being recorded under this category.**

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- **Operating Grants and Transfers increased by $336,806 (12%). The variance was largely due to an increase in the Government grant allocation to the Navuso Technical Institute, supporting the institution's capacity to deliver agricultural training and skills development initiatives.**

- **Special Expenditure declined significantly by $3.11 million (64%). This decrease was mainly due to the cessation of the Cash for Farmers Initiative, which had been funded as a one-off intervention during the 2021-2022 financial year to assist farmers recovering from the impacts of the COVID-19 pandemic and flood-related damages.**

- **Capital construction expenditure decreased by $1.57 million (13%). The reduction was primarily attributable to delays in the delivery of construction and hardware materials, which affected project implementation timelines. In addition, expenditure levels were influenced by the transfer of the Maintenance of Office and Quarters allocation to the Construction Implementation Unit (CIU) under the Ministry of Finance, resulting in a corresponding reduction in the Ministry's capital construction budget.**

- **Capital Purchases increased by $867,555 (77%). This increase was driven by enhanced investments in agricultural mechanization, the procurement of laboratory equipment for chemistry testing and analysis, and expenditures associated with the implementation of the stray animal management initiative. These investments were directed toward improving service delivery, strengthening technical capacity, and supporting agricultural productivity.**

- **Capital Grants and Transfers increased by $2.03 million (18%). The increase was primarily due to the introduction and implementation of the Commercial Agriculture Development Programme, which required additional capital support to facilitate agricultural investment, improve productive capacity, and promote commercial growth within the sector.**

Overall, the expenditure variances reflect the Ministry's responsiveness to shifting sector priorities, the transition of specific programmes

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between expenditure classifications, the completion of temporary recovery measures, and targeted investments aimed at strengthening agricultural productivity, service delivery, institutional capacity, and long-term sector development. **The Ministry remains committed to ensuring that all budget allocations are managed prudently and aligned with Government priorities, while maintaining strong financial accountability and value for public expenditure.**
G. Climate Resilience and Sustainability 10) The Annual Report recognises climate change as an important challenge to Fiji's food system. What specific climate-resilient agricultural programmes were implemented during the 2022–2023 financial year, and what evidence is available regarding their effectiveness? **The Ministry of Agriculture and Waterways implemented a range of climate-resilient agriculture initiatives during the 2022–2023 financial year aimed at strengthening sustainable production systems, conserving agricultural biodiversity, improving soil health, and enhancing farmers' capacity to adapt to climate change and environmental challenges.** 1. **Promoted sustainable soil management and organic farming practices through the production and distribution of organic inputs. Through the Crop Research Division, approximately 100 tonnes of organic compost were produced, while 11,657 litres of bacterium cultures were supplied to farmers to improve soil organic matter and stimulate beneficial microbial activity. In addition, more than 49,000 litres of bacterium cultures were distributed to agricultural stations nationwide to support ongoing extension and climate-smart agriculture initiatives. These interventions contribute to improved soil fertility, reduced dependence on chemical inputs, and enhanced agricultural sustainability.** 2. **Strengthened the conservation of plant genetic resources through its tissue culture and crop conservation programmes. A total of 14 crop groups comprising more than 240 local and exotic varieties were conserved and maintained through tissue culture and germplasm**

preservation systems. These included sweet potato, Irish potato, ginger, turmeric, vanilla, coconut, breadfruit, pineapple, banana, yam, cassava, bele, taro, and other important food and cash crops. The conservation of these genetic resources safeguards biodiversity, supports future breeding and research efforts, and enhances the resilience of Fiji's agricultural sector to climate-related risks, pests, and diseases.

3. Continued to strengthen rice genetic conservation and improve farmer knowledge through research and capacity-building initiatives. Under the Rice Research Programme at Koronivia Research Station, 43 rice varieties were established, harvested, and preserved in cool-storage facilities for future seed multiplication and research purposes. In addition, training programmes were conducted for rice farmers in Dreketi, Rakiraki, and Rewa, supporting efforts to improve production practices and strengthen the sustainability of domestic rice cultivation.
4. Promoting climate-smart agriculture and sustainable land management practices among farming communities. Through the Sustainable Land Management and Climate Smart Agriculture Programme, training and awareness activities were delivered to approximately 500 farmers across Macuata, Bua, Cakaudrove, Kadavu, Koro, Yasawa, Nadroga, Tailevu, Naitasiri, and Ra. The programme encouraged the adoption of sustainable farming practices designed to improve land productivity while strengthening resilience to climate-related impacts.
5. Support practical adoption of these approaches by establishing demonstration and pilot sites in Nabutautau (Navosa) and Waikete (Tailevu), facilitating the transfer of sustainable land management technologies and practices to farming communities. Furthermore, 5,000 vetiver slips and 5,000 vetiver seedlings were distributed throughout the Central, Western, and Northern Divisions to promote soil conservation, erosion control, and land stabilization.
6. Enhanced climate resilience and natural resource management through several complementary initiatives. These included the commissioning of a Nitrogen-Fixing Trees Nursery at Koronivia Research Station, the completion of land-use assessments in Udu and Tawake (Vanua Levu), Vatulele, and Yasawa, and the updating of soil and land-use capability data to support evidence-based planning and sustainable land utilization. Additionally, 160 land-use capability assessments were undertaken to assist farmers in accessing and developing agricultural leases, while collaboration with non-government organizations was strengthened to improve climate change awareness in vulnerable communities.

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7. **At the household level, the Ministry promoted sustainable waste management and food production through the design and construction of 21 tumble compost bins, enabling households to convert kitchen waste into compost for backyard gardening purposes. This initiative supported both environmental sustainability and household food security objectives.** **Overall, these achievements demonstrate the Ministry's commitment to advancing climate-resilient agriculture through sustainable land management, biodiversity conservation, improved soil health, climate-smart farming practices, and strengthened farmer awareness. Collectively, these interventions contribute to building a more productive, resilient, and environmentally sustainable agricultural sector capable of responding to the challenges posed by climate change and natural resource degradation.**
H. Accountability and Way Forward 11) In reviewing its performance for the 2022–2023 fiscal year, what does the Ministry consider to be its three most significant achievements and three major shortcomings? **The Ministry of Agriculture and Waterways recorded a number of notable achievements during the 2022-2023 financial year that contributed to strengthening agricultural productivity, enhancing rural livelihoods, and supporting the sector's long-term development. At the same time, the Ministry acknowledges several operational and institutional challenges that require continued attention to improve service delivery and programme effectiveness. The Ministry:** 1. **Delivered substantial targeted assistance to farmers through a range of support programmes aimed at enhancing agricultural production, strengthening food security, and improving household incomes. During the reporting period, approximately $29.6 million was allocated towards farmer assistance initiatives, reflecting the Government's commitment to supporting commercially oriented agriculture and ensuring the resilience of farming communities. These interventions assisted farmers in addressing production constraints while promoting greater participation in productive economic activities across the agricultural sector.**

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2. Continued to strengthen farmer capacity and community resilience through training, extension, and skills development programmes. Particular emphasis was placed on post-harvest handling, food processing, and value-adding activities, including targeted training for women's groups in rural and maritime communities. A total of 58 participants benefited from post-harvest and food-processing training programmes, while 300 farmers received technical training on improved husbandry practices and bean curing techniques. These initiatives enhanced knowledge transfer, promoted improved production practices, and supported efforts to increase product quality and market readiness.
3. Invested in strengthening institutional systems and evidence-based planning to improve the effectiveness of agricultural services. Key achievements included the implementation of research and plant-health training programmes, production of monthly market situation reports, development of a farmer Geographic Information System (GIS) portal and mobile application, and advancement of a long-term strategy for agricultural and rural statistics. These initiatives represent important foundational investments that enhance data-driven decision-making, improve service delivery, and support more effective agricultural planning and policy formulation.

Notwithstanding these achievements, the Ministry recognizes several areas where performance improvements were required.

- Staff capacity, retention, and organizational alignment remained a significant challenge during the reporting period. The Ministry continued to experience difficulties associated with organizational restructuring, including limitations in career progression pathways, staff attrition, reduced morale, challenges in retaining skilled personnel, and instances where staffing arrangements did not fully align with operational requirements. These factors affected institutional capacity and the Ministry's ability to consistently deliver services across all areas of operation.

- Monitoring, evaluation, and impact assessment of agricultural assistance programmes also require further strengthening. Resource limitations resulted in the completion of a post-implementation review in place of the planned mid-term review of the Costed Operational Plan. While the Ministry achieved approximately 90 percent budget utilization, expenditure performance alone does not fully measure development outcomes. Greater emphasis is therefore required on monitoring programme impacts, including improvements in farmer

productivity, income generation, market participation, and overall return on public investment.

- Additionally, post-harvest losses and value-chain inefficiencies continue to present challenges across the agricultural sector. The Ministry identified the need to strengthen compliance with Good Agricultural Practices (GAP), particularly in relation to harvesting, handling, storage, packaging, and transportation. While training and awareness programmes were undertaken, continued investment in post-harvest management, processing technologies, and value-adding research will be essential to improving product quality, reducing losses, enhancing competitiveness, and ensuring that farmer support interventions generate sustainable benefits throughout the agricultural value chain.

Overall, the Ministry considers the 2022-2023 financial year as a period of meaningful progress in strengthening agricultural production, farmer support services, and sector planning systems. However, addressing institutional capacity constraints, improving programme monitoring and evaluation frameworks, and strengthening post-harvest and value-chain development remain critical priorities for achieving sustainable growth and maximizing the impact of Government investments in the agricultural sector.

12) What lessons from that financial year have been incorporated into subsequent agricultural programmes and policies?

A key lesson emerging from the Ministry's performance during the 2022-2023 financial year is that agricultural assistance programmes must increasingly be measured by the outcomes they generate rather than solely by the volume of inputs, equipment, or grants distributed. While the provision of assistance remains an important enabler of agricultural development, future interventions must place greater emphasis on assessing whether support translates into sustained improvements in farmer productivity, reduced post-harvest losses, increased household incomes, enhanced resilience, and stronger market participation.

This lessons-learned approach is reflected in the Ministry's 2024-2028 Strategic Development Plan, which adopts a broader and more integrated framework for agricultural development. The Plan focuses on key national priorities, including food and nutrition security, improved livelihoods

for farming households, climate-smart and sustainable agriculture, expansion of commercial agriculture, and strengthened public-sector performance and service delivery. These strategic priorities are operationalized through the Ministry's annual Costed Operational Plans, which establish specific activities, performance targets, and measurable indicators to support effective implementation and accountability.

Informed by the experiences and challenges of the 2022-2023 period, the Ministry has identified several strategic areas for strengthening future programme delivery.

1. Support must extend across the entire agricultural value chain. Future interventions will place greater emphasis not only on production but also on improving farm access, mechanization, post-harvest handling, storage, processing, logistics, and market linkages. A value-chain approach will help ensure that productivity gains at the farm level translate into higher returns for farmers and greater overall sector competitiveness.
2. Monitoring, evaluation, and reporting mechanisms must be strengthened. The Ministry recognizes the need to establish clearer outcome-based performance indicators and undertake more frequent programme reviews throughout the year. This will improve the ability to assess the effectiveness of interventions, demonstrate results, and ensure that public investments deliver tangible benefits to farming communities.
3. Workforce planning and technical capacity development remain critical priorities. Ensuring that the Ministry has the appropriate mix of technical expertise, extension capacity, and specialized skills will be essential for the consistent and effective implementation of agricultural programmes. Continued investment in human resource development will strengthen institutional capability and improve service delivery outcomes.
4. Agricultural programmes must be designed to reflect Fiji's diverse climatic conditions and geographic realities. Particular consideration must be given to the unique circumstances of rural, remote, and maritime communities, where production systems, infrastructure requirements, market access challenges, and vulnerability to climate-related events differ significantly. Tailored interventions will be essential to ensure equitable access to support services and sustainable agricultural development across all regions of the country.

Overall, these lessons reinforce the importance of transitioning from an input-focused approach to a results-driven development model that prioritizes impact, accountability, resilience, and long-term sector transformation. The Ministry remains committed to continuously

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strengthening its programmes and delivery mechanisms to maximize benefits for farmers, rural communities, and the broader agricultural economy.
13) Could the Ministry provide records of agricultural assistance provided to farmers in Nadroga/Navosa and the Central Division over the past three years? Sigatoka Valley Development Program, Agriculture Extension Program, Spices program

Appendix 2
Verbatim Report from the Ministry of Agriculture

[VERBATIM REPORT]

STANDING COMMITTEE ON NATURAL RESOURCES

MINISTRY OF AGRICULTURE ANNUAL REPORT 2022 - 2023

ENTITY: Ministry of Agriculture
VENUE: Big Committee Room (BCR)
DATE: Tuesday 20th October 2026

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD AT THE BIG COMMITTEE ROOM 2, PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON 20 OCTOBER AT 10.40 A.M.

Present:

Hon. K.V. Ravu	-	Chairperson
Hon. S. Kumar	-	Member
Hon. V. Nath	-	Member
Hon. J.N Nand-	-	Member
Hon. T. R. Matasawalevu	-	Member

Interviewee/Submittee: Ministry of Agriculture

1.	Mr. Tekini Nakidakida	-	Deputy Permanent Secretary
2.	Ms. Amena Banuve	-	Director, Land Resources Planning and Development Division
3.	Mr. Nimilote Waqabaca	-	Principal Administrative Officer Crop Extension Division
4.	Mr. Avinesh Dayal	-	Director, Animal Health and Production Division
5.	Ms. Via Veretatini	-	Principal Administrative Office Economic Development
6.	Mr. Sikeli Baleisuva	-	Director of Finance

MR. CHAIRMAN.- Honourable Members, and representatives from the Ministry of Agriculture, members of the media and the public, dear viewers, ladies and gentlemen; a very good morning to you all. It is my pleasure to welcome everyone present in the room, as well as those joining us via live broadcast.

I wish to advise that pursuant to the Standing Orders of Parliament, specifically Standing Orders 111, all Committee meetings are open to the public and the media so, accordingly, this submission is open to the public and members of the media. Should there be any sensitive information relating to this submission that cannot be disclosed publicly, that information may be provided to the Committee either in writing or in a closed session.

However, that will only be permitted in limited circumstances, including matters relating to national security, third-party confidential information, personnel or human resource matters, and during Committee deliberations when we finalise and develop our report back to Parliament.

For any sensitive information concerning this submission that cannot be disclosed in public, this can be provided to the committee either in private or in writing. But do note that this will only be allowed in a few specific circumstances, which include:

- National security matters;
- Third-party confidential information;
- Personal and human resources matters; and
- Meetings whereby the committee deliberates on all issues before it and develops its recommendations and reports.

I wish to remind honourable members and our invited committees that all comments and questions to be asked are to be addressed through the chair.

Also be mindful that only the invited committees will be allowed to ask any questions or give comments to the committee. This is a parliamentary meeting and all information gathered is covered for under the Parliamentary Powers and Privileges Act and the Standing Orders of Parliament. But please note that the committee does not condone libel or slander or any allegations against any individual that is not present today to defend themselves.

In terms of protocol of this committee meeting, please be advised that whilst the meeting is in progress, movement within the meeting room will be restricted. There should be a minimal usage of mobile phones, whereby answering of phones should be done outside this room and all mobile phones to be in silent mode. Now I would like to introduce members of the Natural Resources Committee to briefly introduce themselves.

(Introduction of Committee members)

MR. CHAIRMAN.- With us this morning, we have the representatives from the Ministry of Agriculture who have been requested to provide a submission of the Ministry of Agriculture Annual Report for 2022-2023. I now take this time to invite our guests to introduce themselves before we proceed with the submission. Please note that if there are any questions by the members of the committee, they may interject, or we will wait till the end of our presentation to ask our questions.

(Introduction of Ministry of Agriculture officials)

MR. CHAIRMAN.- Please bear in mind that we need to make the best use of the time available. I kindly request that your presentation be concise. I will allow 20 minutes for members of the Committee to ask supplementary questions on today's deliberation.

MR. T. NAKIDAKIDA.- We appreciate the invitation from the Committee to appear before you and respond to questions arising from the Ministry's 2022–2023 Annual Report. The printed materials and presentation on the screen will assist in explaining our responses to the questions submitted.

For the first question regarding the Ministry's objective of promoting commercial agriculture, performance was assessed against the Ministry's approved Annual Corporate Plan, key performance indicators, and programme targets. These were monitored by our Monitoring and Evaluation (M&E) Team.

The Ministry made substantial progress during 2022 and 2023. This was the first year that the Commercial Agriculture Development Project (CADP) received funding. The programme was introduced because agriculture in Fiji is largely driven by small-scale producers, and there was a need to elevate the sector to a more commercial level. The project was managed by the Economic Planning Division and focused on key interventions such as farm mechanisation support, irrigation and borehole development, and livestock production initiatives designed to strengthen linkages between the agriculture and tourism sectors.

These interventions provided support to farmers and companies to enhance commercial agricultural development. More than 700 farmers received direct assistance through the Commercial Agriculture Development Project, valued at approximately $800,000. Other major investments included sheep sheds, goat sheds, infrastructure development, farm roads, dairy farm roads, and support for companies that absorbed agricultural products produced by farmers. Export performance remained positive during the reporting period. Fresh and chilled agricultural exports increased by 1.3 percent, while total export volumes increased by 2.6 percent compared to the previous year.

Addressing Question Two, regarding why the Ministry did not fully achieve its planned targets for 2022–2023, several factors contributed to this outcome. The period represented a transition in governance, with a new administration taking office. While the Ministry continued implementing budgeted work programmes, it also had to align with new priorities introduced by the incoming Government.

Resource constraints affected implementation and monitoring activities. There were staff shortages, particularly in key positions, a lack of skilled workers, and organisational restructuring within the Ministry following the change in Government. Delays in office and staff maintenance, along with broader administrative issues, also affected implementation, particularly in rural, maritime, and highland areas.

In response, the Ministry took several corrective measures. These included continuing farmer assistance programmes, expanding mechanisation support, recruiting personnel to fill vacancies, and appointing leadership staff. During the restructuring process, a major challenge was the absence of leadership positions across several divisions. Many directors were appointed after the restructuring, and efforts were made throughout 2023 and 2024 to strengthen leadership and improve programme delivery.

Moving to Part B on farmer support and extension services, the Annual Report highlighted the improvement of agricultural extension services. During the reporting period, crop extension services reached a total of 2,296 farmers, including 759 women and 1,537 men. These services were delivered through various activities, including farmer training programmes, field visits, application verifications, and field days. The reported figures were sourced from agriculture extension acquittals and field reports.

The effectiveness of extension services was measured not only through farm-level outcomes but also through broader sector impacts. These included increased farmer participation, access to emerging market opportunities, improvements in farm productivity, greater production of resilient, safe, and nutritious food, and increased participation of women and youth in agriculture.

For Question Four, regarding the mechanisms used by the Ministry to identify and respond to challenges faced by smallholder and commercial farmers, the Ministry adopted a multi-channel, farmer-centred approach. At the core of this approach were the Ministry's extension services. Field officers collected information directly from farmers and reported their findings through monthly and quarterly reporting channels up to Head of Department level. These reports helped identify challenges and informed the development of solutions.

In addition, farmers could formally express their interest in assistance programmes through online applications, making the process more efficient. These mechanisms enabled the Ministry to systematically collect information on farmer needs, assess eligibility, and provide targeted support.

The Ministry also began establishing a digital platform in 2023 known as the Viti Agri Data Hub. This platform allows field officers to enter information gathered during field visits, with the data becoming available in real time at headquarters. This has improved the Ministry's ability to make informed decisions, monitor activities, and plan future interventions.

In response to the question on major agricultural commodities targeted during the 2022–2023 financial year, the Ministry's production enhancement efforts focused on several priority commodities, including taro, ginger, turmeric, kava, and vegetables, particularly those covered under the Bilateral Quarantine Arrangement (BQA) with New Zealand and Australia.

Evidence of production performance was captured through the Ministry's official agricultural statistics and monitoring systems. In particular, the Fiji Agricultural Statistics Data Library, available through the Ministry's website, provides empirical data on production trends, commodity performance, and overall sector outputs. This information assists the Ministry in identifying priorities and guiding future planning and programme implementation.

Regarding Part D on market accessibility, the Fiji Agro-Marketing Authority (AMA), the Ministry recognises AMA as a key partner in providing markets for agricultural produce harvested by farmers. During the 2022–2023 financial year, AMA operated somewhat independently and at a distance from the Ministry. Following the change in Government, efforts were made to strengthen collaboration and bring AMA closer to the Ministry of Agriculture. While much of the information presented is drawn from AMA's reports, the Authority also submits its own Annual Report to this Committee.

During the reporting period, AMA facilitated the marketing of a diverse range of agricultural commodities, including dalo, cassava, yams, kumala, chestnuts, and duruka, sourced from Vanua Levu, Viti Levu, and parts of the Maritime Islands.

At the time, AMA's primary warehouse facility was in Nausori. However, recognising the importance of market access and produce aggregation, plans were developed to strengthen AMA's infrastructure and operations. This included reopening facilities in Savusavu and Dama, as well as supporting the establishment of a new facility in Nadi. These remain part of AMA's ongoing development efforts.

Regarding the number of farmers who benefited from AMA services, data provided by the Authority indicated that 1,219 farmers directly benefited from AMA's produce aggregation and marketing services during the financial year.

In relation to Fiji Cooperative Dairy Company Limited (FCDCL), the Ministry provided various forms of support during the financial year to improve milk production, milk quality, animal health, and overall farm productivity. As outlined in the Ministry's response, grant funding was provided to FCDCL. During this period, dairy farmers expressed significant concerns regarding milk pricing, and the Ministry sought to cushion the impact through targeted financial assistance.

A substantial proportion of the grant funding was allocated towards the cartage of raw milk. This support was intended to offset transportation costs and help stabilise milk prices. The initiative enabled 227 dairy farmers to continue collecting and supplying fresh milk to Fiji Dairy Limited through contracted transport services.

The support programme facilitated the delivery of approximately 5.9 million litres of milk in 2023, ensuring uninterrupted market access for milk producers. The grant also funded critical on-farm infrastructure improvements, including dairy farm roads, drainage systems, and water reticulation projects. In addition, advisory and extension support services were strengthened. Four dairy advisory officers provided technical advice and ongoing support to dairy farmers.

The programme outcomes demonstrated positive results. Despite a decline in the number of operating dairy farms, national milk production increased by 3.6 percent. This increase indicates that the support measures, particularly those aimed at offsetting transportation costs, contributed to maintaining productivity and supporting dairy farmers during a challenging period.

Part F concerning financial management and accountability, in response to the question regarding significant variances between the approved budget and actual expenditure for the 2022–2023 financial year, several factors contributed to expenditure being either below or above approved allocations.

Major variances were recorded in areas such as travel and communications. The Ministry implemented cost-saving measures, including reducing communication expenses. Some extension service forms were underutilised, while certain rental costs continued to be incurred. These expenditures were reviewed and reduced where possible to improve efficiency and contain costs.

As mentioned earlier, the change in Government during the reporting period also resulted in a reprioritisation of programmes and adjustments to planned activities. This affected expenditure patterns across a number of budget categories, including:

- Purchase of goods and services
- Operating grants
- Special expenditure
- Capital construction
- Capital purchases
- Capital grants and transfers

One of the major challenges faced during this period was the discontinuation of the Tractor and Mechanical Assistance (TMA) programme. Farmers had to adapt to a new mechanisation outsourcing model. Under the former TMA system, farmers paid a fee and Government machinery was deployed to undertake agricultural work. However, operational challenges such as long waiting times and delays in service delivery had been experienced under that model.

Although the outsourcing approach was intended to improve service delivery, the transition affected some of the day-to-day support mechanisms relied upon by farmers, including access to certain livestock-related services and inputs.

Overall, the expenditure variances reflected the Ministry's efforts to respond to shifting sector priorities, transition specific programmes between expenditure classifications, conclude temporary recovery measures, and make targeted investments aimed at strengthening agricultural productivity, service delivery, institutional capacity, and long-term sector development.

Part G on the subject of climate resilience and sustainability, the Ministry implemented a range of activities aimed at strengthening climate resilience and supporting adaptation to climate change. Agriculture is highly sensitive to climate conditions. Even small changes in rainfall patterns or temperature can affect crop production, livestock performance, and overall agricultural productivity. As such, many of the Ministry's activities are inherently linked to climate adaptation and resilience building.

The Ministry highlighted seven major programmes during the reporting period, including:

(1) Promoting sustainable soil management and organic farming.
(2) Strengthening the conservation of plant genetic resources.

(3) Continuing efforts to strengthen rice genetic conservation. Given Fiji's significant expenditure on rice imports, the Ministry worked with Chinese counterparts to identify and multiply proven rice varieties capable of increasing local production.
(4) Promoting climate-smart agriculture practices.
(5) Supporting the adoption of innovative farming methods through demonstration and pilot sites in key agricultural areas.
(6) Enhancing climate resilience and natural resource management.

The Ministry also recognised the need to balance agricultural expansion with environmental conservation. As agricultural development increases, there is a risk of encroaching on forested areas and affecting biodiversity. Programmes were therefore implemented to support both agricultural growth and environmental protection.

At the household level, the Ministry promoted sustainable waste management practices and food production initiatives to strengthen food security and resilience.

Overall, these achievements demonstrated the Ministry's commitment to advancing climate-resilient agriculture and supporting sustainable agricultural development.

Part H refers to accountability and the way forward. The Ministry recorded several notable achievements during the reporting period that contributed to improved agricultural productivity, enhanced rural livelihoods, and the long-term development of the sector.

Three key achievements were highlighted:
(1) Targeted assistance to farmers - Support programmes were delivered based on information gathered through Ministry assessments, allowing assistance to be directed to farmers with identified needs rather than being distributed indiscriminately.

(2) Strengthening farmer capacity and community resilience - This was achieved through training programmes, extension services, and initiatives supporting women and youth participation in agriculture.

(3) Strengthening institutional systems and evidence-based planning - Investments were made to improve institutional systems, data collection, monitoring, and planning processes to enhance the effectiveness and delivery of agricultural services.

The Ministry acknowledged that, despite these achievements, a number of challenges remained and continued to affect service delivery.

HON. V. NATH.- Thank you for your presentation. It is comprehensive and well articulated. On paper, everything appears satisfactory. However, this committee recently undertook visits to farming communities for the first time, and one of those farmers is sitting behind you today. We may even invite him to speak later.

From what we observed on the ground, the reality can be quite different. I believe other members of the committee would agree. Fiji continues to rely heavily on imported vegetables despite having suitable land, a generally favourable climate, and capable farming communities that could produce many of these vegetables locally.

A concern we identified is that while the Ministry states that assistance and training have been provided, there appears to be a lack of communication and engagement at the ground level between farmers and the Ministry. How would you address that issue?

MR. T. NAKIDAKIDA.- Mr. Chairman, through you, and thank you to the Honourable Member for what is a very relevant and practical question.

Currently, the staff-to-farmer ratio is a significant challenge. In some cases, one extension officer may be responsible for servicing anywhere between 100 and 1,000 farmers. To address this, agriculture stations have been strategically located to serve communities, including those in remote and difficult-to-access areas. We continue to do our best to provide resources to local extension officers so they can engage directly with farmers. Information gathered at the local level is then communicated through provincial offices and divisional offices to ensure farmer concerns and needs are conveyed through the Ministry's reporting structure.

MR. CHAIRMAN.- We have limited time available. As we proceed, I ask members to engage directly with questions related to the report. Thank you. The floor is now open for questions.

HON. J.N. NAND.- My question relates to the looming El Niño situation, which many would consider a significant challenge, if not a crisis. How well prepared is the Ministry to support farmers, particularly when food security could be affected? Are there any relief packages or forms of assistance being planned or implemented?

MR. T. NAKIDAKIDA.- Thank you, honourable Member. In terms of El Niño preparedness, the Ministry has been coordinating and implementing activities focused on water management and water storage. In anticipation of prolonged dry conditions, extension officers have been advising farmers through various communication platforms and information systems to manage water resources carefully and adopt appropriate conservation measures.

The Ministry is also working through the Food Security and Livelihood Cluster, coordinated alongside the National Disaster Management Office (NDMO). Through this mechanism, funding has been mobilised to support preparedness and response activities. The Ministry assesses existing gaps and works with development partners and stakeholders within the cluster to address them. These partners include the:

- World Food Programme (WFP);
- International Fund for Agricultural Development (IFAD);
- Food and Agriculture Organization (FAO); and
- UN Women.

They assist in addressing areas where the Ministry may have limited capacity or reach, ensuring support is extended to affected communities and farmers.

HON. J.N. NAND.- I have a follow-up question. There is a farmer sitting at the back today whom we visited during our field visit to Solovi in Nadi. He operates approximately 20 acres of vegetable farming and relies on a creek tributary as his water source. For the past two months, he has been seeking assistance. I personally accompanied agriculture officers to assess the situation and discuss borehole project support, but no concrete assistance has yet been provided. This has compelled him to attend today's hearing.

He is a productive and committed farmer who returned from America and invested in farming here. The Committee has visited his farm and observed his operation firsthand. I hope farmers like him can receive timely support. Can you provide any assurance to farmers listening today regarding how the Ministry intends to assist them in managing water shortages and similar challenges?

MR. T. NAKIDAKIDA.- I also acknowledge and appreciate the presence of the farmer from Solovi, Nadi. Support mechanisms are available, and the Ministry has determined that irrigation assistance, which is generally administered through the Waterways Division, should be prioritised for areas most vulnerable to El Niño impacts. The Western Division and the Macuata area have been identified as priority locations because they are considered high-risk areas.

We can take note of the farmer's specific circumstances and work through the Nadi Office and the Nailaga Waterways Division to assess how support can be provided.

HON. V. NATH. - Mr. Chairman, we are all aware that climate agencies and the UNFCCC had already issued warnings regarding El Niño well in advance. The challenge I see is that by the time some of these response packages are implemented, weather conditions may have changed and the opportunity to provide timely assistance may have passed.

Farmers need assistance now. This should have been anticipated and incorporated into planning processes and the Annual Corporate Plan. Early in the year, warnings were already issued indicating the likelihood of El Niño conditions. Similarly, we have recently received forecasts regarding multiple cyclone systems expected in the region. These forecasts allow for proactive planning.

My question is, where did we fall short? When the warnings were first issued, what prevented earlier action? If implementation only begins after conditions have already intensified, then the usefulness of these programmes may be reduced.

MR. T. NAKIDAKIDA. - Mr. Chairman, through you, planning for the Ministry's budget and programmes began around March, and the anticipated El Niño conditions were taken into consideration during that process.

As mentioned earlier, funding was allocated for irrigation, drainage improvements, and water storage facilities. These components were included within the Ministry's approved programmes and budget allocations.

What the Ministry is doing now is reprioritising resources based on information provided through NDMO and Fiji Meteorological Service forecasts. Particular attention is being given to areas identified as high-risk or "red flag" areas.

The Western Division of Viti Levu and the Macuata region in Vanua Levu were specifically highlighted during El Niño preparedness briefings. As a result, the Ministry is directing additional efforts towards those areas while still ensuring that support continues to be provided across other regions of Fiji. I hope that answers the honourable member's question.

HON. V. NATH.- Just a further comment. When we refer to "red zones," Fiji already has several areas that have experienced chronic water shortages for many years. Places such as Drauniivi and areas around Tavua, Momi, sections of the old Queens Road corridor, and from Kasavu to Korovou in Tailevu regularly face water challenges during dry periods. These are not new issues.

Agricultural production in many of these areas remains low because access to water has been a longstanding constraint. I would encourage the Ministry, perhaps outside the immediate El Niño response framework, to undertake more targeted interventions in these areas.

Your field officers are familiar with these communities and should be able to identify farmers who could benefit from strategic support. The 2022 Annual Report indicated that Fiji imported approximately $20 million worth of vegetables. That is a significant amount. If support is directed towards known production areas facing water constraints, there is potential to increase local production and reduce dependence on imported vegetables.

MR. T. NAKIDAKIDA.- Honourable Member, you are correct regarding the increasing level of vegetable imports. A significant proportion of these imports is driven by demand from the hotel and tourism sector. However, your point regarding water scarcity is well noted.

Areas such as Kasavu to Korovou, as well as some of the islands beyond Yasawa and parts of the Labasa region, continue to experience water-related challenges that affect agricultural production. The Ministry is aware of these issues and will continue working with local extension officers and farmers in those areas to identify practical solutions and develop strategies to improve production and resilience.

MR. CHAIRMAN.- I have a question regarding the broader responsibilities and challenges facing the agriculture sector. During the Committee's recent visits, many farmers raised concerns about the difficulties they face when trying to expand their operations from subsistence to semi-commercial and commercial farming. Our observations suggest that agricultural development requires coordinated support from several agencies, including the Department of Environment, the iTaukei Land Trust Board (iTLTB), the Ministry of Lands, and the Fiji Development Bank (FDB).

Many farmers, particularly small-scale farmers, struggle to access finance and other forms of support. What measures has the Ministry undertaken, in collaboration with these agencies and ministries, to address regulatory and institutional barriers, create a more enabling environment for farmers, and support expansion and increased productivity?

MR. T. NAKIDAKIDA. - Mr. Chairman, through you, drawing from past experiences, whenever new agricultural areas are identified for development, whether through subdivisions facilitated by iTLTB or the Ministry of Lands, one key issue we focus on is ensuring access.

In many instances, agricultural leases have been allocated without proper access roads. As a result, some leases remain undeveloped because farmers cannot easily access their land. To address this, the Ministry works closely with the Ministry of Infrastructure and Transport (MOIT), the Fiji Roads Authority (FRA), and iTLTB to ensure road access is incorporated into development planning.

Regarding access to finance, particularly for small-scale farmers, the Ministry places considerable emphasis on improving record-keeping practices among farmers. This is important because the Fiji Development Bank now considers business performance records as part of its lending assessments. With proper farm records and evidence of viable farming operations, farmers may be able to access financing without relying solely on traditional forms of physical security or collateral.

The Ministry also supports farmers through programmes such as the Commercial Farm Expansion Programme (CFEP), where Government assistance can help offset part of the costs

associated with approved FDB-financed agricultural investments. In some cases, the Ministry contributes up to 20 percent of project costs. These initiatives are designed to help farmers access start-up capital, expand operations, improve productivity, and strengthen collaboration with stakeholders involved in agricultural development.

HON. S. KUMAR. - As a follow-up to your response regarding the 20 percent support provided through agricultural financing programmes, how many farmers have benefited from this initiative so far?

MR. A. BANUVE. - Based on the current records, a number of approved applications are progressing through the payment process, and further payments are expected to be made over the next two months.

HON. S. KUMAR**. -** Before proceeding, I wish to declare my interest as a dairy farmer and a recipient, indirectly, of some of the support provided through Fiji Co-operative Dairy Company Limited (FCDCL). I have received concerns from larger dairy farmers who supply milk directly to Fiji Dairy Limited (FDL).

These farmers have indicated that they do not receive the same benefits from some of the subsidised programmes provided through FCDCL. Why are these larger dairy farmers excluded from certain forms of assistance, even though they make substantial contributions to milk production? Does the Ministry have any influence over this process, or is it entirely determined by FCDCL?

MR. A. DAYAL.- To date, support under the FCDCL grant programme has generally been available to farmers. However, only recently, including within the past week, concerns were brought to our attention that some farmers may no longer qualify for assistance this year.

This information is relatively new to us. We intend to discuss the matter further with the Honourable Minister and the Permanent Secretary upon their return, and we will review the issue carefully. We will take this concern on board and provide a more detailed response once those discussions have taken place.

HON. S. KUMAR.- I believe this is a genuine concern that has been raised both with the Ministry and with me directly. Many of these larger-scale dairy farmers supply over 1,000 litres of milk per day. Excluding them from subsidy programmes appears inconsistent with the Government's broader objective of supporting all participants within the agricultural sector.

My next question relates to milk pricing. How does the Ministry monitor the price paid to dairy farmers relative to their cost of production? What measures are being taken to ensure the long-term sustainability and viability of dairy farming?

While the current subsidies have clearly contributed to improved performance, including the reported 3.6 percent increase in national milk production, subsidies alone may not be a long-term solution.

In the future, farmers should ideally be able to purchase feed, invest in farm improvements, and sustain their businesses without depending heavily on Government assistance. Is the Ministry working towards establishing a milk price that adequately reflects production costs and encourages both existing and new farmers to invest in the dairy industry?

MR. T. NAKIDAKIDA.-The Ministry recognises the importance of dairy sector development and understands that milk pricing is closely linked to production costs. We are also aware that factors such as livestock management, feed availability, pasture development, and nutrition directly affect profitability and sustainability within the dairy sector.

To provide a more detailed response on pricing arrangements, I will ask the Director of Livestock to elaborate further.

MR. A. DAYAL.- To add to the Deputy Secretary's response, the process of setting milk prices is essentially a commercial arrangement between the buyer and the seller. In this case, Fiji Co-operative Dairy Company Limited (FCDCL) acts as the seller, while Fiji Dairy Limited (FDL) is the buyer. A pricing agreement exists between these two entities, and recently there has been a price increase that was mutually agreed upon and subsequently passed on to farmers.

In addition, efforts are being undertaken by the FCDCL Board, in consultation with relevant authorities including the Fiji Competition and Consumer Commission (FCCC), to further review and assess milk pricing arrangements. Those discussions are ongoing, and we anticipate that the outcomes of that process will become available at a later stage. As a form of support from the Government, we provide price incentives to dairy farmers to help offset production costs and support farm viability. These incentives are intended to cushion farmers against rising operational expenses and provide additional support alongside the milk price received from processors.

The allocation of these incentives is generally based on production levels. In other words, the amount of assistance provided depends on the quantity of milk supplied by each farmer. Farmers who produce higher volumes of milk receive support proportionate to their level of production.

The objective of this approach is to encourage increased production while assisting farmers with some of the costs associated with dairy farming. Through this incentive mechanism, the Government aims to maintain farmer participation in the industry, improve productivity, and support the overall sustainability of the dairy sector.

HON. S. KUMAR.- I understand where you are coming from, and I hope you also understand where I am coming from, both as a dairy farmer and as a representative of dairy farmers.

What we are really seeking is a situation where farmers benefit directly through the milk price they receive each week. Government support and subsidies are appreciated, but they often arrive later. Our objective should be to reach a point where farmers become self-sufficient and are able to reinvest in their farms, purchase feed, and improve productivity through the income generated from milk sales. That is why milk pricing is so important.

At present, Fiji Dairy Limited (FDL) is effectively the only processing entity, and it operates in a market where farmers have limited alternatives. While tax incentives are provided for imports, many farmers feel that FDL is not placing sufficient emphasis on encouraging local milk production by passing greater benefits back to farmers. Direct support from FDL to farmers appears limited, with most support channelled through FCDCL. That said, we do appreciate the work the Ministry has done in recent years. There has been significant support provided to dairy farmers, crop farmers, and the broader agricultural sector.

Through our recent field visits, we observed that extension officers play a critical role as the link between farmers and Government. My question is: how does the Ministry measure the performance and output of extension officers who are stationed across the divisions, many of whom work in remote locations? What mechanisms are in place to assess their key performance indicators (KPIs), monitor their activities, and ensure that they are effectively carrying out their responsibilities?

MR. CHAIRMAN.- Honourable Member, please proceed with your question.

HON. S. KUMAR.- Mr. Chairman, my question is specifically about how the Ministry measures the performance and key performance indicators of extension officers, particularly those working in remote locations. What systems are in place to monitor their effectiveness and ensure that services are being delivered as intended?

MR. T. NAKIDAKIDA.- Mr. Chairman, through you, the Ministry has several mechanisms in place to measure staff performance. Through the Human Resources Division, annual performance appraisals are conducted for all officers. However, recognising that annual appraisals only provide an assessment after a full year, additional monitoring systems are used throughout the year.

Senior Agriculture Officers and Principal Agriculture Officers oversee weekly and monthly work programmes. Officers are required to plan and report on the activities they intend to undertake during each reporting period. These work plans include a remarks section where officers indicate whether planned activities were completed and provide explanations where necessary. These reports are compiled and reviewed to assess performance and monitor progress against assigned duties.

The Ministry also recognises that extension officers often operate under varying conditions. Some officers work very early in the morning, while others may continue working late into the evening, depending on the needs of farmers and the locations they serve. Nevertheless, performance management remains an important tool for improving accountability and service delivery, and your observations and concerns are well noted.

HON. S. KUMAR.- We appreciate the mechanisms you have described. This year, for the first time, the Natural Resources Committee decided to visit farmers directly while reviewing the Agriculture Annual Report. One such farmer is seated here today.

Many of the issues we are raising come directly from those field visits and from first-hand observations. A recurring concern raised by farmers was the level of engagement by extension officers and the timeliness of support provided. That is the reason I asked this question. We all want to see greater efficiency and effectiveness in extension services, particularly given the significant investment the Ministry has made in upgrading facilities and deploying extension officers throughout the country.

HON. J.N. NAND.- My question relates to dairy production, however, before that I would like to acknowledge and thank Mr. Dayal. A complaint was recently brought to my attention by a small-scale dairy farmer in Sigatoka. The farmer is a woman, and the issue relates to payment arrangements between the buyer and seller. As previously discussed, there is an agreement in place between the two parties. However, the farmer had reportedly not received payment for approximately two to three weeks.

I contacted Mr. Dayal regarding the matter, and I would like to thank him because he personally visited the farmer and later met with me as the Member of Parliament for Sigatoka. I should also declare my interest in this matter as the resident member in Parliament.

Can the Ministry please continue looking into this issue? When I met with the farmer again last week, she indicated that because of these ongoing payment delays, she was considering scaling down her dairy operation or potentially exiting the industry altogether. If that happens, we risk losing a productive dairy farmer, and that would be a concern for both the dairy sector and local milk production.

MR. CHAIRMAN.- My final question relates to concerns raised by farmers during the Committee's recent site visits regarding market access, produce pricing, and payment arrangements. Several farmers informed us that payments for produce supplied through the Fiji Agro-Marketing Authority (AMA) were received only after approximately six weeks. What mechanisms were in place to ensure that farmers received fair and timely payments for produce supplied through Government-supported marketing channels?

MR. T. NAKIDAKIDA: Mr. Chairman, that is a genuine concern and one that reflects issues being experienced by farmers on the ground.

The Ministry regularly engages with AMA through provincial meetings involving Principal Agriculture Officers (PAOs), Senior Agriculture Officers, and AMA representatives. These forums provide opportunities to discuss operational issues affecting farmers and market access arrangements.

Regarding payment delays, this is a matter that we will continue to raise with AMA. We acknowledge that timely payment is critical for farmers, particularly as they rely on cash flow to sustain farm operations.

If produce has already been collected and marketed, it is reasonable for farmers to expect payment within an appropriate timeframe. We will engage further with AMA on this issue and seek clarification and solutions for farmers who have raised concerns about delayed payments.

HON. V. NATH.- I have two questions. Firstly, during my recent visit to Muaniweni, several farmers complained that they had not received agricultural assistance. One example involved the distribution of manure. Farmers stated that while some individuals received large quantities, others were informed that supplies had already run out by the time they arrived at the extension office.

Does the Ministry maintain records of farmers who receive assistance? If so, can these records be made available to advisory councillors, community representatives, or farmers for transparency purposes? Could the information be published on notice boards or made publicly accessible? How is this process monitored?

MR. T. NAKIDAKIDA.- I believe that is possible, and we take note of the suggestion. We will review how manure and similar forms of assistance are distributed, including whether allocations are made directly, through expressions of interest, or through other mechanisms. We acknowledge the importance of transparency and accountability in the distribution process.

HON. V. NATH.- I have a follow- up question. Another farmer, namely, Mr. Chandra Dharma from Baulevu, raised a similar concern. He was advised that manure was available and was

invited to collect it. However, when he arrived, he was informed that all supplies had already been distributed. Having publicly available records of recipients would improve transparency and help community leaders and farmers better understand how assistance is allocated.

My second question concerns drainage. I previously raised this matter on the floor of Parliament. In the Nine Miles area along the Suva-Nausori Corridor, specifically at Kavi Place opposite the Sino-Muslim School, there is a drainage channel that begins near the GMR area and extends towards River Road.

The drain requires urgent maintenance. I have raised the matter with Mr. Samuel, and while it has been inspected, I have not seen any work undertaken. Given the current dry season, this would be an ideal time to address the issue before the onset of heavy rains.

If the drainage is not cleared and maintained, residents around River Road will again be exposed to flooding during the wet season. I would ask the Deputy Secretary to take note of the location and, if necessary, conduct a site visit. I would be happy to assist and provide guidance because I have observed activities in the area that do not appear to be addressing the actual drainage problem.

MR. CHAIRMAN.- Honourable Member, is this a matter that falls under the Ministry of Agriculture?

HON. V. NATH.- This is a matter for the Ministry of Agriculture and Waterways, honourable Chairman.

MR. T. NAKIDAKIDA.- The issue is noted, honourable Member. We will take it on board, and if additional information or guidance is required, we will contact you.

HON. S. KUMAR.- While we are discussing drainage, I have a question regarding the Drainage Board. The Board was established and members were appointed. What is its status? How is it operating, and what achievements has it made in delivering its functions?

MR. S. BALEISUVA.- Before answering, I would like to note that the report currently under discussion covers the 2022–2023 financial year, during which Waterways operated as a separate ministry. Since the integration of responsibilities, however, the Drainage Board has been reactivated and is now entering its second year of operation.

At present, the Board's primary focus is the restoration and management of drainage schemes that previously existed but had not been actively maintained. When I joined the Ministry of Agriculture in 2018, these schemes played a significant role in supporting farmers through effective drainage management.

The Board has recently undergone a reappointment process, with new members taking over responsibilities from the previous committee. Their main objective is to revive and re-establish drainage schemes that have been neglected over a long period.

Many of the drainage-related concerns raised by farmers today stem from the deterioration of these systems. The Board's current work is therefore centred on restoring these schemes and improving their effectiveness.

HON. S. KUMAR.- Thank you for that update. I believe the Drainage Board initiative has the potential to benefit farmers throughout Fiji, including those in remote and maritime areas. I look forward to seeing more programmes implemented under the Board's work and hope to see positive outcomes in the near future.

MR. CHAIRMAN.- Thank you, honourable Members, and Ministry of Agriculture representatives. That brings us to the conclusion of this morning's session. We appreciate everyone's participation and contributions to the deliberations.

The meeting ended at 11.40 am.

Appendix 3
Research Papers

Annual Report Summary – Standing Committee on Natural Resources

Ministry of Agriculture 2022-2023 Annual Report

1.0 Introduction

This brief is provided to the Standing Committee on Natural Resources ("SC-NR" or "Committee") as requested through its Secretariat. This comparative analysis is a summary of some of the key issues in the Ministry's Annual Reports ("AR") for the financial year 2022-2023. The summary is designed to assist Members of Committee undertake their analysis of the Ministry's performance as discussed in the Annual Report. The narrative provided here is only intended to assist the Committee with its appraisal of the reports and does not aim to provide in-depth oversight on the Ministry's performance.

2.0 Review of the Ministry of Agriculture 2022-2023 Annual Report

Activities	Ministry of Agriculture2022-2023 AR[1] Summary
Vision	A sustainable, competitive, and resilient agriculture sector
Mission	To create an enabling environment that accelerates sustainability, economic opportunities, climatic viability, and food and nutrition security for all Fijians.
Values	These values guide the development of internal and external relationships. o Excellence o Integrity o Accountability o Innovation o Partnership o Commitment
Stakeholders	The Ministry take pride in serving their Customer through the implementation of the '*Customer Service Charter*' which sets the Ministry's commitment to providing high quality standards of services that exceed customer expectations. The Ministry's Customer include: I. **INTERNAL** - Farmers, MoA Staffs, Rural Community Leaders, Exporters, Importers, Processors, MoA Consultants. II. **EXTERNAL** - Ministries and Departments, Private Sector, Statutory Bodies, NGO's, Diplomatic Missions, Unions and Employer, Resource Owners, Academic Institutions
Legislative Framework	Legislative Framework of the Ministry can be viewed on *page 11-12* of the Annual Report.
Roles of the Divisions	Roles and functions of the Ministry's Divisions can be viewed on *page 13* of the Annual Report.

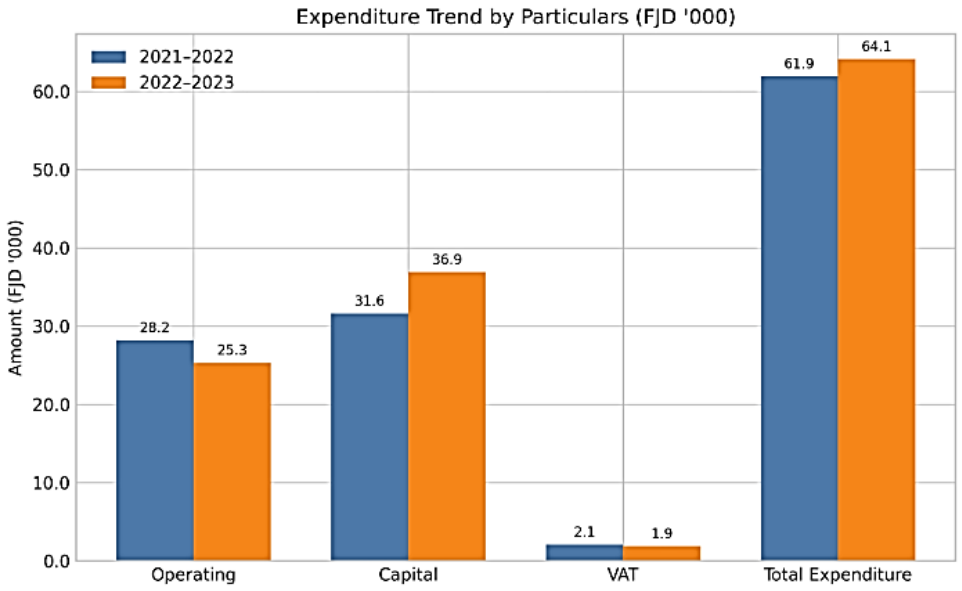
Budget Allocation & Expenditure

Table 1: 2021-2022 vs 2022-2023 Budget Allocation

Particulars	2021-2022 [FJD 000]	2022-2023 [FJD 000]	Variance [FJD000]
Operating	28.2	25.3	-2.9
Capital	31.6	36.9	5.0
VAT	2.1	1.9	-0.2
Total Expenditure	**61.9**	**64.1**	**2.2**

[1] AR – Annual Report

Figure 1: Expenditure Trend, Years 2021-2022 – 2022-2023



Gender Distribution

Total Number of Employed Staff: **861**
Percentage of Male: **66%**
Percentage of Female: **34%**

Figure 2: Overall Distribution of Staff by Gender

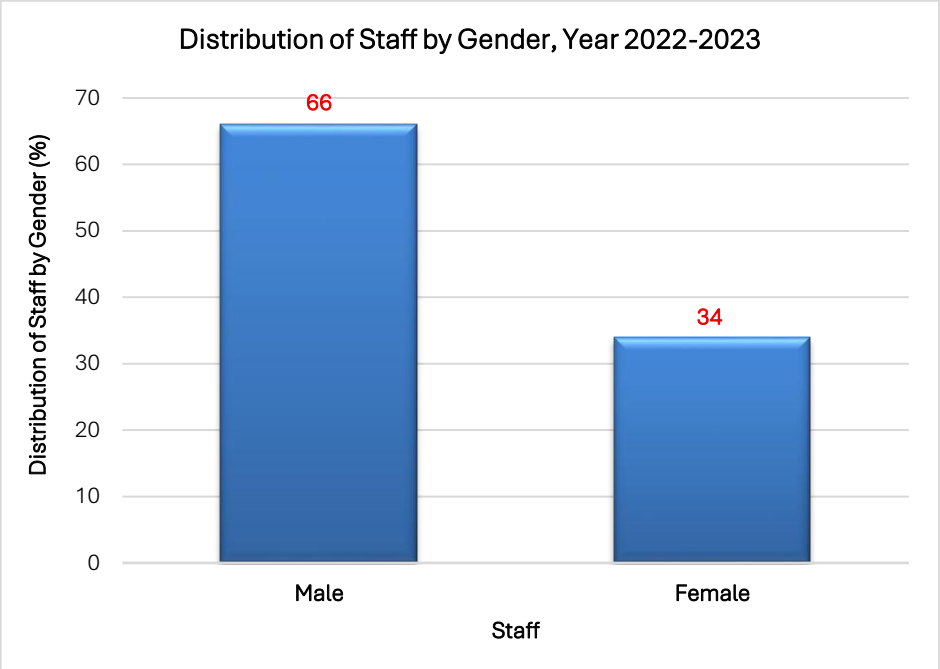
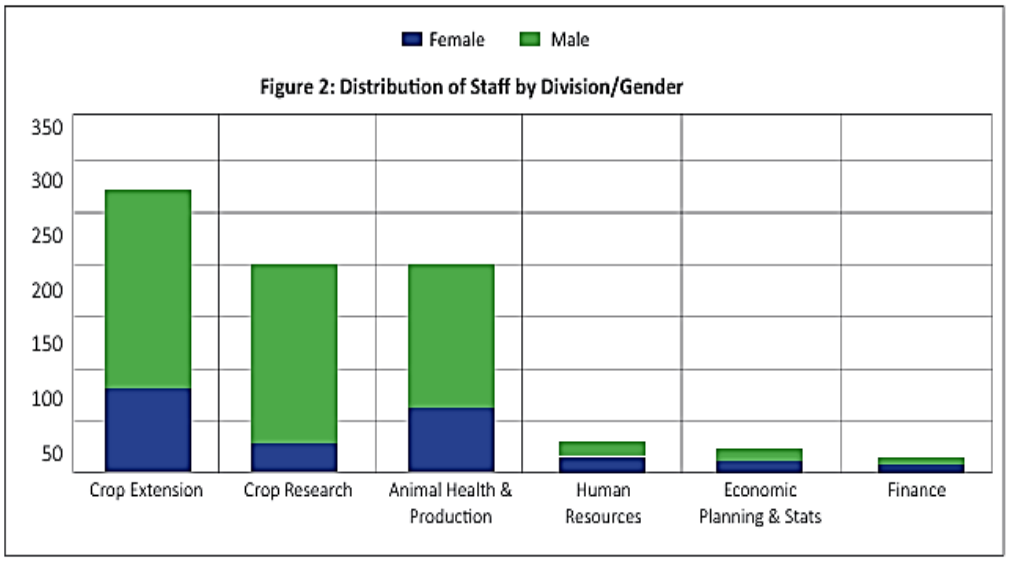


Figure 3: Distribution of Staff by Division/Gender

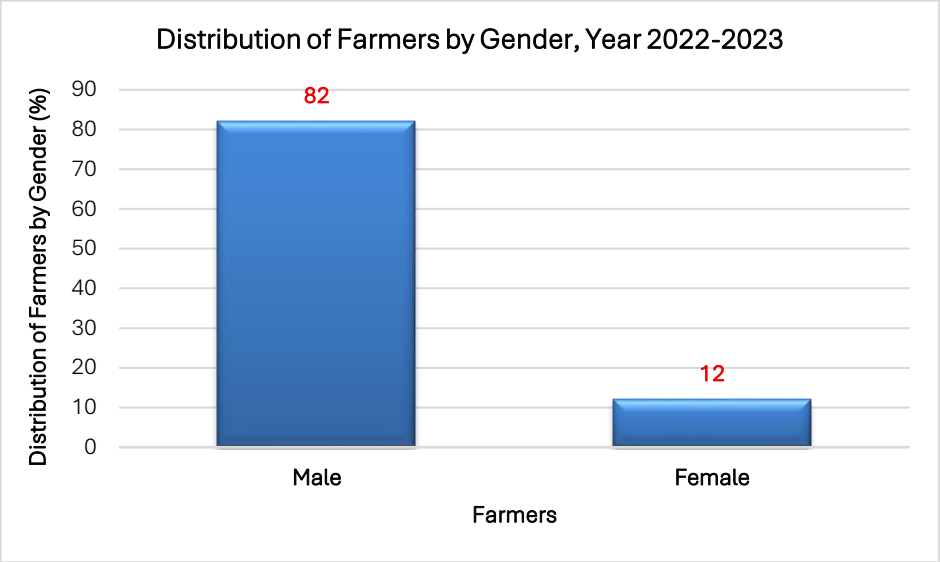


Source: Ministry of Agriculture 2022-2023 Annual Report, Page 14

Number of Farmers

Registered Farmers: **98,084**
Male: **82%**
Female: **12%**

Figure 4: Distribution of Famers by Gender, Year 2022-2023



Newly Implemented Capital Programmes

During the 2022–2023 financial year, a total of eight (8) new capital programmes were implemented, namely

i. Machinery Outsourcing Programme
ii. Commercial Agriculture Development Programme
iii. R&D of Fruit Tree Orchard Programme
iv. Dairy Extension Programme
v. Climate Smart Agriculture Programme
vi. CODEX Programme (CCNASWP)
vii. Pacific Week of Agriculture & Forestry (PWAF)

viii. Ministry introduces Wagyu breed cattle to the Livestock Industry

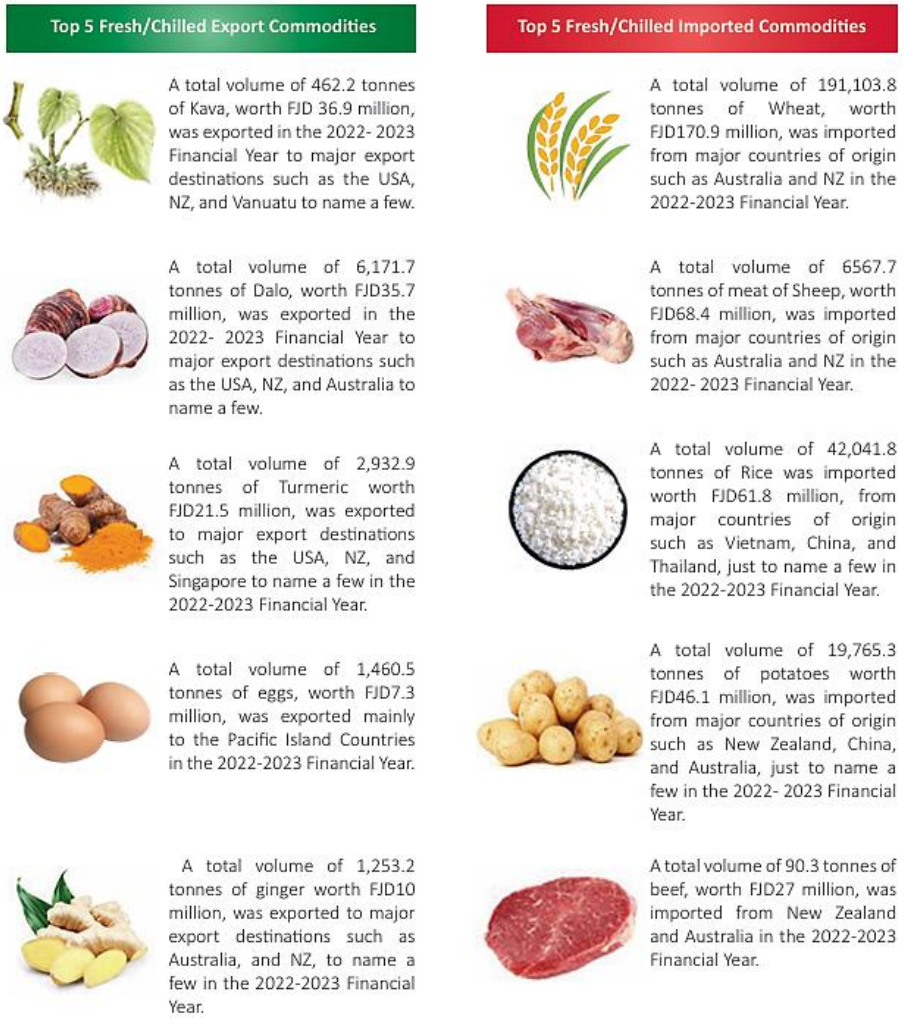
Online Farm Support Initiatives

During the 2022–2023 financial year, advertisements were published on the Ministry of Agriculture's website and Facebook page, inviting interested applicants to submit their applications online. The initiatives covered the following areas:

i. Crop Farming
ii. Livestock Farming
iii. Farm Mechanization
iv. Exporters and Agro Processors Support
v. Commercial Farmers Equity Support
vi. Young Commercial Farmers

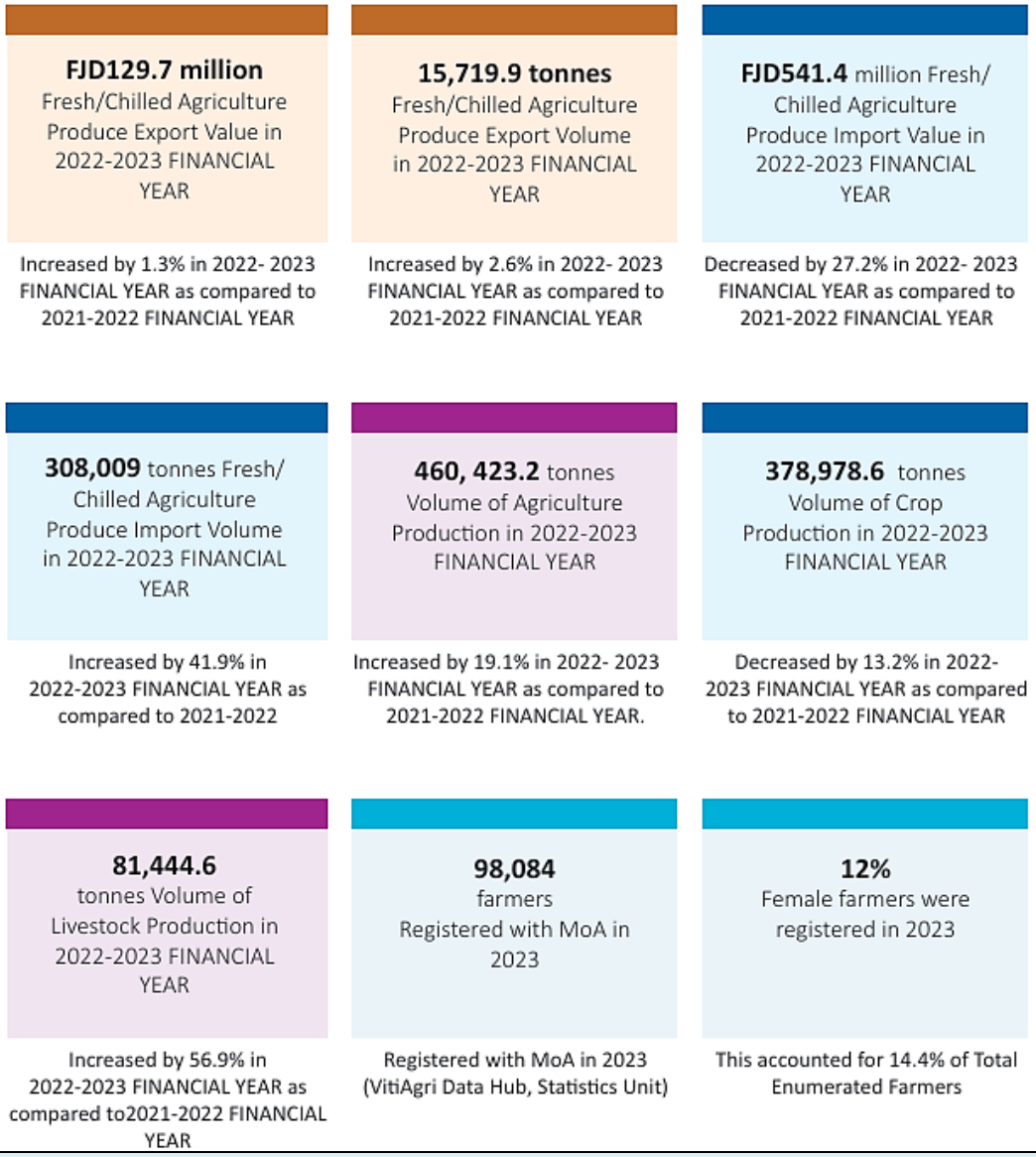
Trade Highlights

Figure 5: 2022-2023 Financial Top 5 Commodities for Crops & Livestock



Sector Contribution to the National Economy

Figure 6: 2022-2023 Agriculture Contribution to the National Economy, Year 2022-2023



Ministry's Report on Performance

Table 2: Ministry Performance in line with the Strategic Priorities and National Development Plan

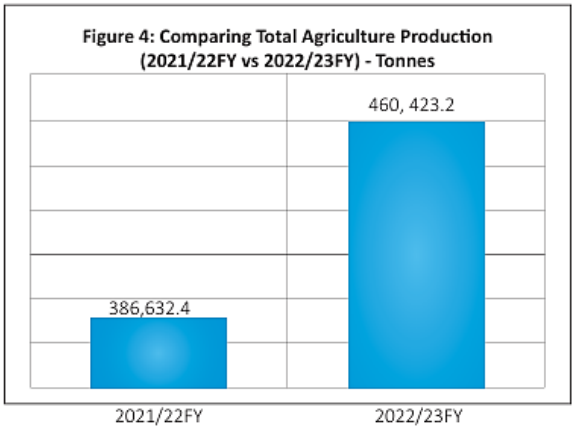
Strategic Priorities	National Development Plan	Sustainable Development Goal
1. Improve Food and Nutrition Security for all Fijians.	NDP: 3.1.4 Food and Nutrition Security NDP: 3.1.6 Health and Medical Services NDP: 3.2.10 Expanding the Rural Economy NDP: 3.2.12 Non-sugar Agriculture	Goal 1: No Poverty Goal 2: Zero Hunger Goal 3: Good Health and Well-being Goal 4: Quality Education Goal 12: Responsible Consumption and Production
2. Increase Farmer Household income for Sustainable Livelihoods.	NDP: 3.1.4 Food and Nutrition Security NDP: 3.1.7 Social Inclusion and Empowerment NDP: 3.1.9 Women in Development NDP: 3.2.12 Non-sugar Agriculture	Goal 1: No Poverty Goal 2: Zero Hunger Goal 5: Gender Equality Goal 8: Decent Work and Economic Growth
3. Increase adoption of sustainable resource management and climate smart agriculture.	NDP: 3.1.4 Food and Nutrition Security	Goal 1: No Poverty Goal 2: Zero Hunger Goal 12: Responsible Consumption and Production Goal 13: Climate Action
4. Establish and Improve Commercial Agriculture.	NDP: 3.1.4 Food and Nutrition NDP: 3.2.10 Expanding the Rural Economy NDP: 3.2.12 Non-sugar Agriculture	Goal 1: No Poverty Goal 2: Zero Hunger Goal 8: Decent Work and Economic Growth Goal 9: Industry, Innovation and Infrastructure Goal 12: Responsible Consumption and Production Goal 13: Climate Action Goal 15: Life on Land
5. Improve Quality Public Sector Performance and Service delivery.	NDP: 3.1.4 Food and Nutrition NDP: 3.2.10 Expanding the Rural Economy NDP:3.2.12 Non-sugar Agriculture	Goal 9: Industry, Innovation and Infrastructure Goal 16: Peace and Justice Strong Institutions

Performance Analysis

1. Performance Analysis on the Impact of Government Intervention in the Improvement of Food Security and Nutritions to all Fijians

Key Performance Indicator 1: 15 % increase in total agriculture production

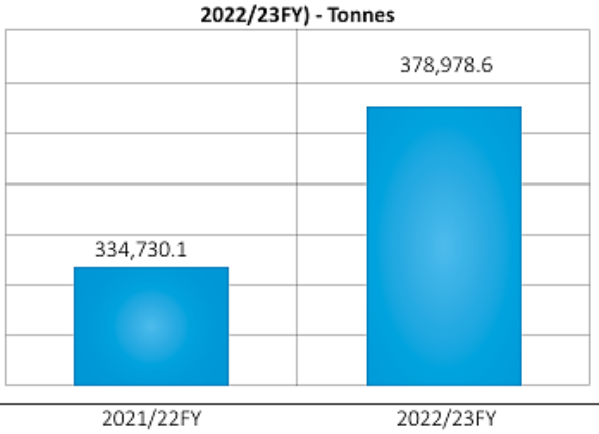
The overall volume of agricultural production increased by 19.1% in the 2022/2023 fiscal year, exceeding the 15% growth rate targeted in FY 2021/ 2022.



Key Performance Indicator 2: 5% increase in crop production

Compared to the 2021/2022 fiscal year, there was a 13.2% increase in the volume of crop production in this fiscal year 2022/2023. This exceeded the intended growth of 5% that was forecasted in FY 2021/2022.

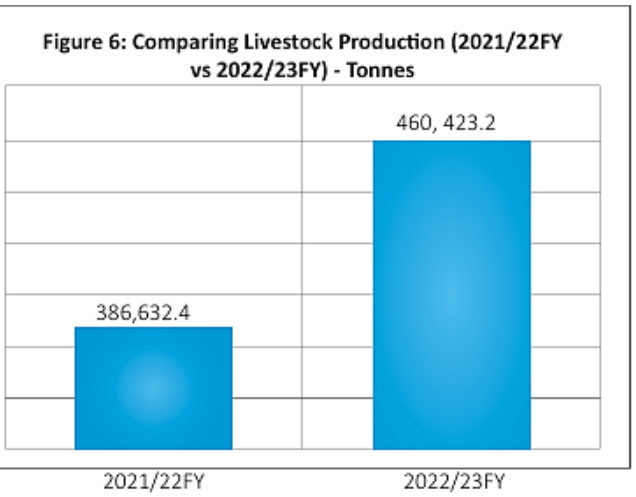
Figure 5: Comparing Crop Production (2021/22FY vs 2022/23FY) - Tonnes



Key Performance Indicator 3: 2% Growth in Livestock production

The volume of livestock produced in the 2022/2023 fiscal year increased significantly over the 2021/2022 fiscal year. The rise in poultry (broiler) production was the primary cause of the 56.9% positive growth.

Figure 6: Comparing Livestock Production (2021/22FY vs 2022/23FY) - Tonnes



2. Performance Analysis of the Impact of Government Intervention on Strategic Priority 2

Table 3: Increase in Volume of Production of Commodities that contributed to the livelihood of Farmers

Crop Commodities	Unit	2021/22	2022/23	Growth
Assorted Vegetables	Tonne	36,567.7	44,023.2	0.4%
Cocoa	Tonne	126.7	134.3	6.0%
Coconut	Tonne	17,476.3	20,134.0	15.2%
Copra	Tonne	2,842.8	3,258.7	14.6%
Eggplant	Tonne	6,484.3	7,751.8	9.5%
Chillies	Tonne	1,397.1	1,667.5	9.4%
Ginger	Tonne	14,160.6	15,405.4	8.8%
Pineapple	Tonne	6,297.0	7,722.9	.6%
Tomatoes	Tonne	2,113.7	2,777.3	31.4%
Tumeric	Tonne	1,401.7	1,432.2	2.2%
Yaqona	Tonne	12,557.7	12,885.1	2.6%

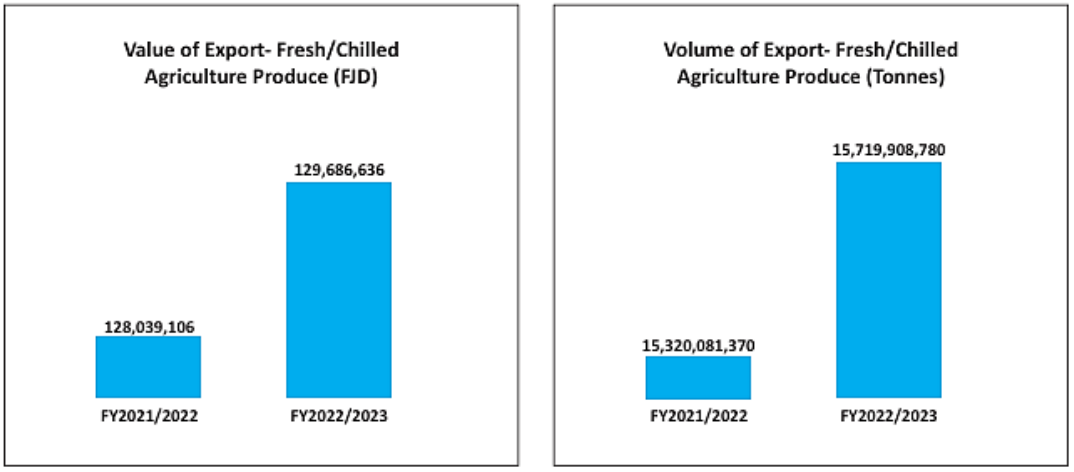
3. Performance Analysis of the Impact of Government Intervention on Strategic Priority 4

Key Performance Indicator 1 – 10% Increase in Fresh and Chilled Agricultural Exports

Fiji recorded FJD 129.6 million in fresh and chilled agricultural exports in the 2022–2023 financial year, reflecting a 1.2% increase from the previous year. Export volumes also grew from 15,320.0 tonnes in 2021–2022 to 15,719.9 tonnes in 2022–2023. This growth is attributed to support

provided through key development programmes, including the Dalo Development Programme, Ginger Development Programme, Yaqona Development Programme, and the Coconut Programme, among others. Continued assistance to exporters and agro processors under the Commercial Farmers Equity Package also contributed to the rise in fresh/chilled exports.

Figure 9: 10% Increase in Fresh and Chilled Agriculture Commodity Export

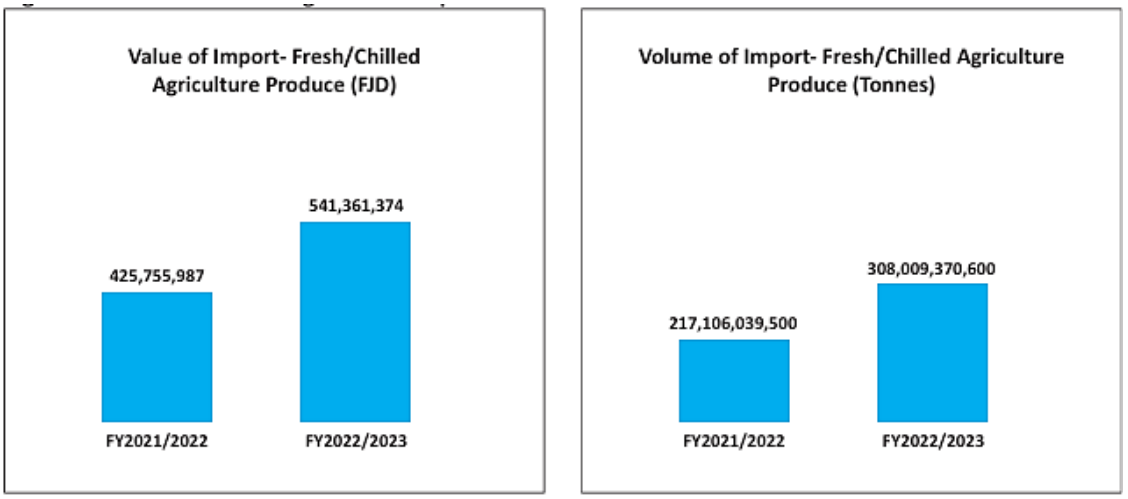


4. Key Performance Indicator 2: 5% Reduction in Agriculture Import

Key Performance Indicator 2 – 5% Reduction in Agricultural Imports

Instead of declining, the value of fresh and chilled agricultural imports increased by 27% in the 2022–2023 financial year, rising from FJD 425.7 million in 2021–2022 to FJD 541 million in 2022–2023. Import volumes also grew significantly, from 217,106 tonnes to 308,009 tonnes over the same period. These trends highlight the need for the Ministry to introduce and strengthen programmes aimed at import substitution to reduce reliance on imported agricultural produce.

Figure 10: 5% Reduction in Agriculture Import



Audited Financial Statement

The Independent Auditor reviewed the Ministry of Agriculture's financial statements for the year ended **31 July 2023**, including all key financial reports and accompanying notes. The Auditor concluded that the financial statements were prepared, in all material respects, **in accordance with the Financial Management Act 2004 and the Finance Instructions 2010**.

The audit was conducted following **International Standards on Auditing (ISA)**. The Auditor confirmed independence and compliance with relevant ethical standards. Based on the evidence obtained, the Auditor believes the audit provides a reasonable basis for forming an opinion.

The report clarifies that:

- Management is responsible for the other information presented, including the Management's Report.
- The audit does **not** extend to this other information, and no assurance is provided over it.
- The auditor's responsibilities include reviewing the financial statements for material misstatements due to fraud or error.

Overall, the report states that the auditor found **no material misstatements** in the financial statements.

3.0 Sources

1. Ministry of Agriculture 2022-2023 Annual Report
Ministry-of-Agriculture-Annual-Report-2022–2023.pdf

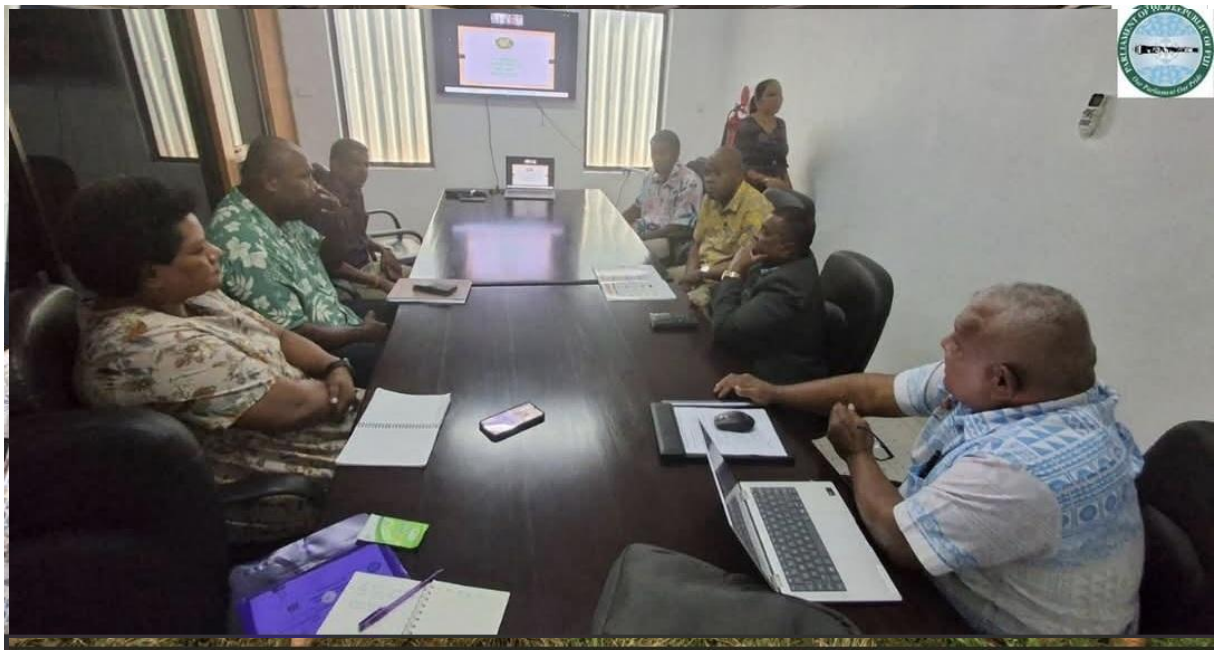
26 January 2026

Disclaimer

This Annual Report Summary was prepared to assist the Standing Committee on **Natural Resources** in its review of the **Ministry of Agriculture 2022-2023 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: Siteri Gaunalomani on email siteri.gaunalomani@parliament.gov.fj or siteri.gaunalomani@legislature.gov.fj

Appendix 4
Photos

Site Visitation to the Ministry of Agriculture sites around Vitilevu and Vanualevu.















Appendix 5
Additional Information
Written Closed Submission by the following stakeholders:

1.Biosecurity Authority of Fiji

2.Fiji Development Bank

3.Fiji Co-operative Dairy Company Ltd

BIOSECURITY AUTHORITY OF FIJI

PARLIAMENT STANDING COMMITTEE

NATURAL RESOURCES

23rd September, 2026

Core Functions

- To protect the Fiji against the entry of regulated pests and diseases affecting animals, plants, human beings and the environment;
- to carry out surveillance and monitoring of pests and diseases in the Fiji and assess the status of regulated pests and diseases;
- to prevent the establishment and spread of regulated pests and diseases and the release of organisms that might adversely affect animals, plants, human beings and the environment;
- to eradicate, contain or control the movement of regulated pests and diseases that are already present in the Fiji;
- **to facilitate the safe importation of animals and plants and their products, and related equipment and technology;**
- **to facilitate the export of animals and plants and their products in accordance with the biosecurity requirements of the receiving countries;**
- to facilitate international cooperation to prevent the spread of pests and diseases affecting plants, animals, human beings and the environment.

AREAS OF OPERATION

- PRE- BORDER
- BORDER
- POST BORDER

PRE BORDER OPERATIONS

- Conduct Import Risk Analysis (IRA's)

  - IRA would be conducted for:

    1. New commodity that have not previously been imported into Fiji.
    2. When there is change in pest and disease status of country.



- Information on Pest Status of Countries
- Issue of Import permits
- Equip border officers

BORDER OPERATIONS

- The Sanitary and Phytosanitary (SPS) agreement is part of the World Trade Organization regime. It regulates the use of Sanitary and Phytosanitary Certificates as border control measures for trade of animals and plants and their products.

- The Agreement allows countries to set their own standards to control imports, but the control must be based on biosecurity risk assessment.

- While countries may have their own methods of inspecting exports, however SPS certificates given to export must comply with the requirements of importing countries.

- All BAF regulated articles requires import permit which stipulates import requirements and must be met by the exporting countries and Importer.

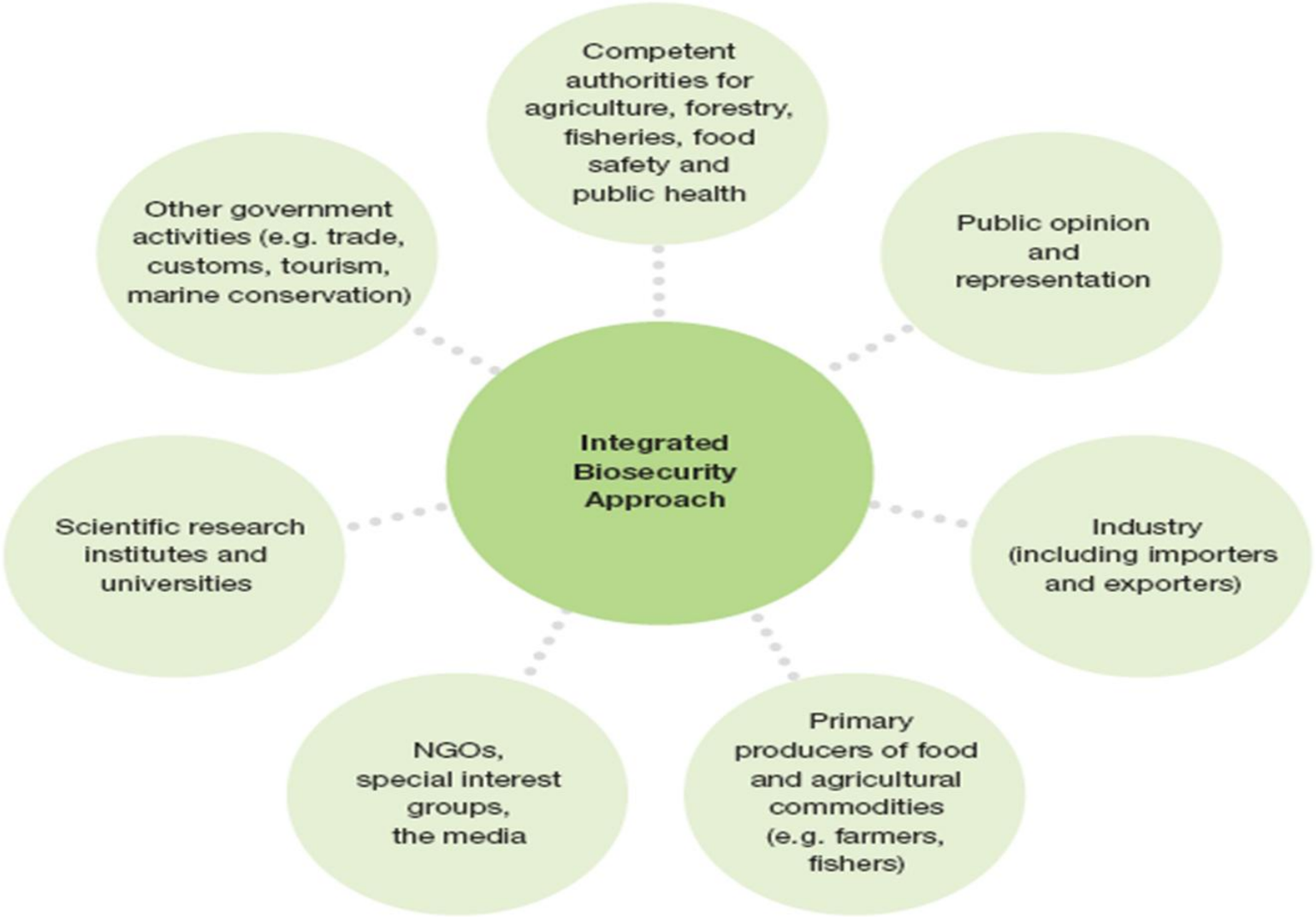
KEY BORDER ACTIVITIES

- Aircraft and vessel clearance
- Manifest Screening
- Container Discharge Inspection
- Import Inspections
- Empty Container Inspections
- Supervise treatment
- Vehicle inspections
- Transit Monitoring and supervision
- Parcel and post office clearance
- Garbage Incineration Supervision
- Ballast Exchange documents verification

KEY POST BORDER ACTIVITIES

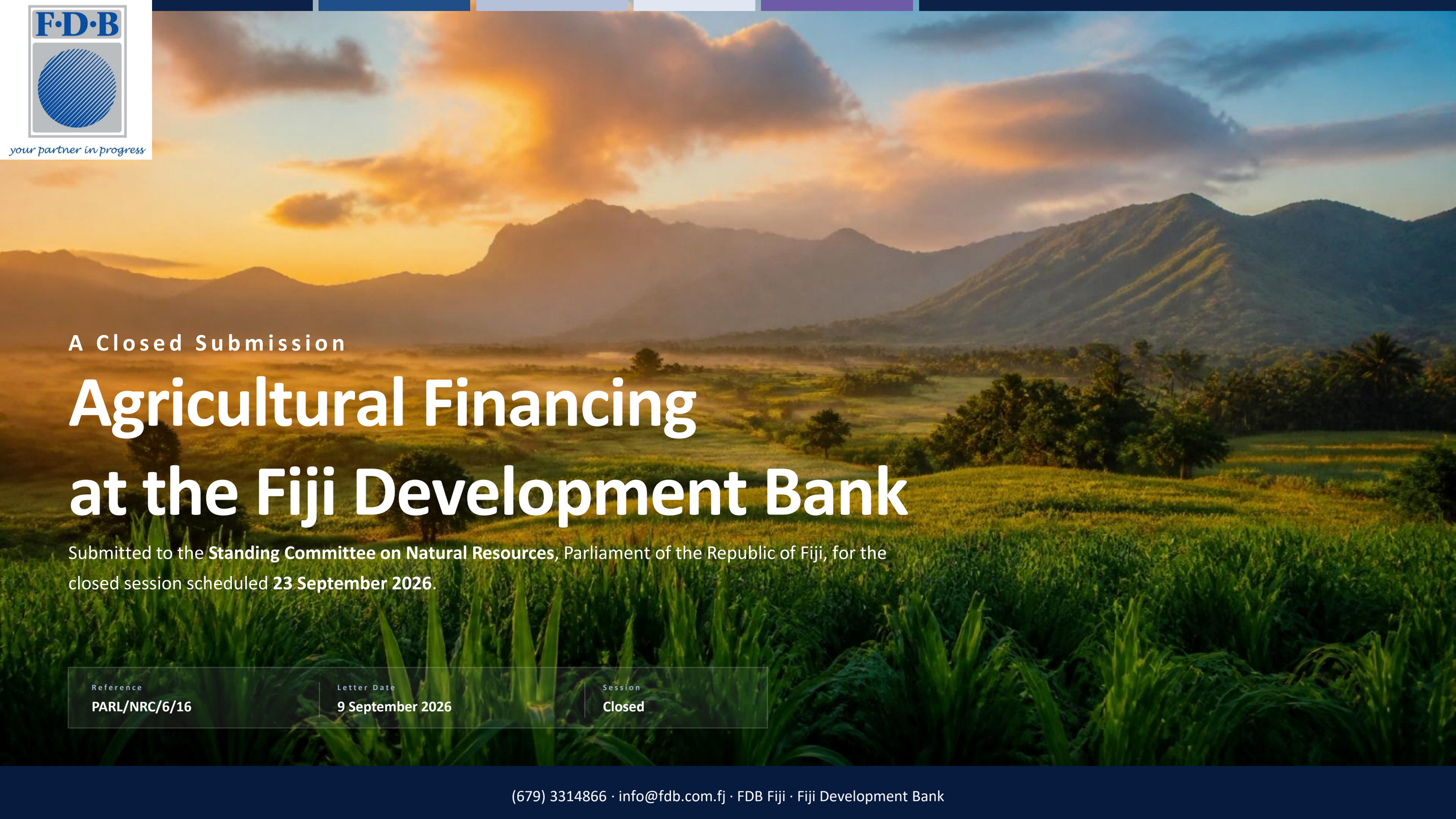
- Plant and Animal Screening - PEQ
- On Farm Post Entry Quarantine
- Domestic Quarantine – Internal control
  - AST
  - Bovine Tuberculosis (TB), Brucellosis ,American Foulbrood (AFB) and Giant Invasive Iguana (GII)
  - Taro beetle
  - Fruit fly from Rotuma
- Export inspection and certification
- Surveillance - shop
  - Exotic pest surveillance (GAS, Fruit fly, RIFA, AGM, ASF, Fall Army Worm, GRB etc.)

Biosecurity Authority of Fiji Cannot Work Alone



BIOSECURITY AUTHORITY FIJI





A Closed Submission

Agricultural Financing at the Fiji Development Bank

Submitted to the **Standing Committee on Natural Resources**, Parliament of the Republic of Fiji, for the closed session scheduled **23 September 2026**.

Reference	Letter Date	Session
PARL/NRC/6/16	9 September 2026	Closed

(679) 3314866 · info@fdb.com.fj · FDB Fiji · Fiji Development Bank

02 The Lending Menu

Catalogue

24 products

FDB Offers 24 Agriculture-Focused Products

Grouped from livestock and field crops to permanent plantings, root crops and the specialised facilities that reach our farmers.

Family · 01

Livestock & Poultry

- Beef Farming
- Dairy Farming
- Goat Farming
- Sheep Farming
- Broiler Production
- Egg Production
- Duck Farming
- Honey Bee Farming

Family · 02

Aquaculture & Fishing

- Aquaculture
- Fishing

Family · 03

Cash Crops

- Growing of Sugar Cane
- Growing of Rice
- Growing & Curing of Tobacco

Family · 04

Permanent & Specialty Plantings

- Growing of Coconuts
- Growing of Cocoa
- Growing of Fruit Crops
- Growing of Ginger

Family · 05

Vegetables & Root Crops

- Growing of Vegetables
- Root Crops — Dalo, Yaqona & Other

Family · 06

Specialised Facilities

- AVCF Dairy
- AVCF Ginger
- AVCF Rice
- Sugarcane Farmers Loan Facility

Cross-cutting

Agricultural Services

Operational, technical and farm-extension services that span the lending menu — supporting the producers and processors our credit lines reach.

03 Snapshot

Lending at a glance.

Agricultural accounts

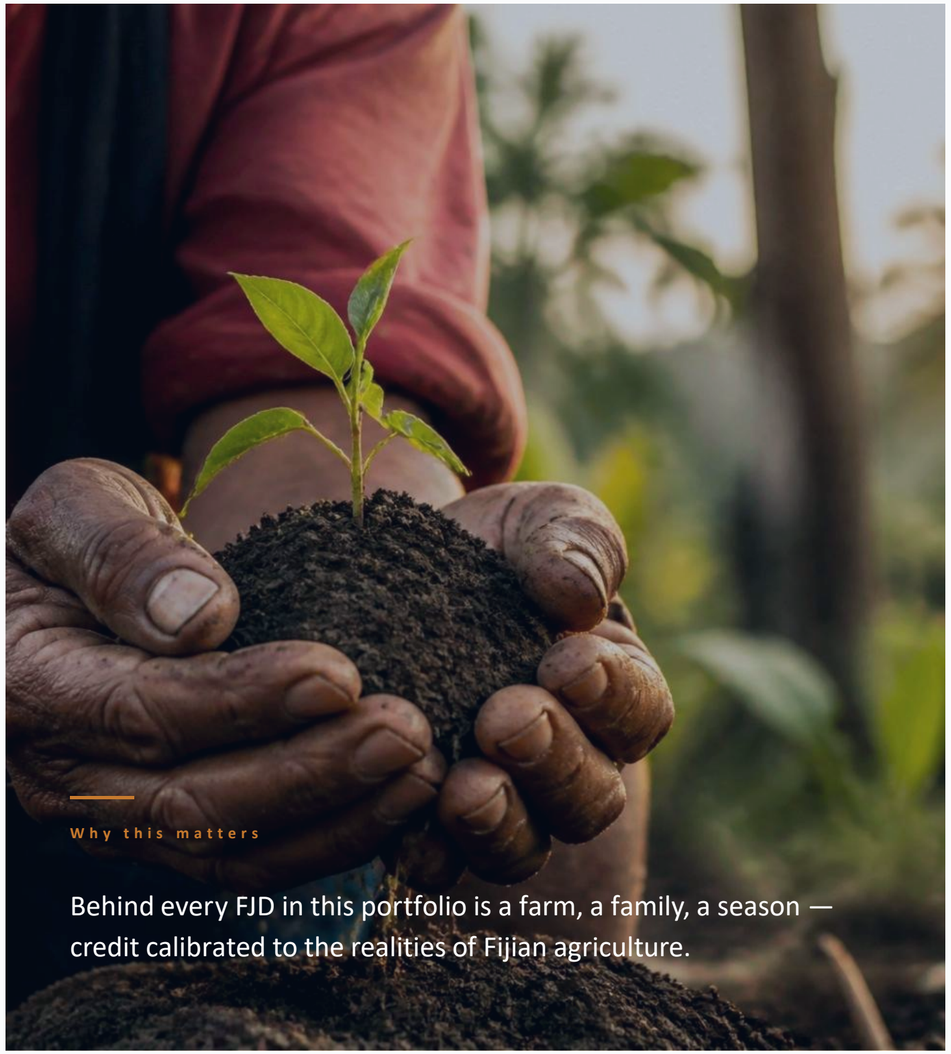
2,608

farmers and producers
extended active FDB credit

Portfolio value

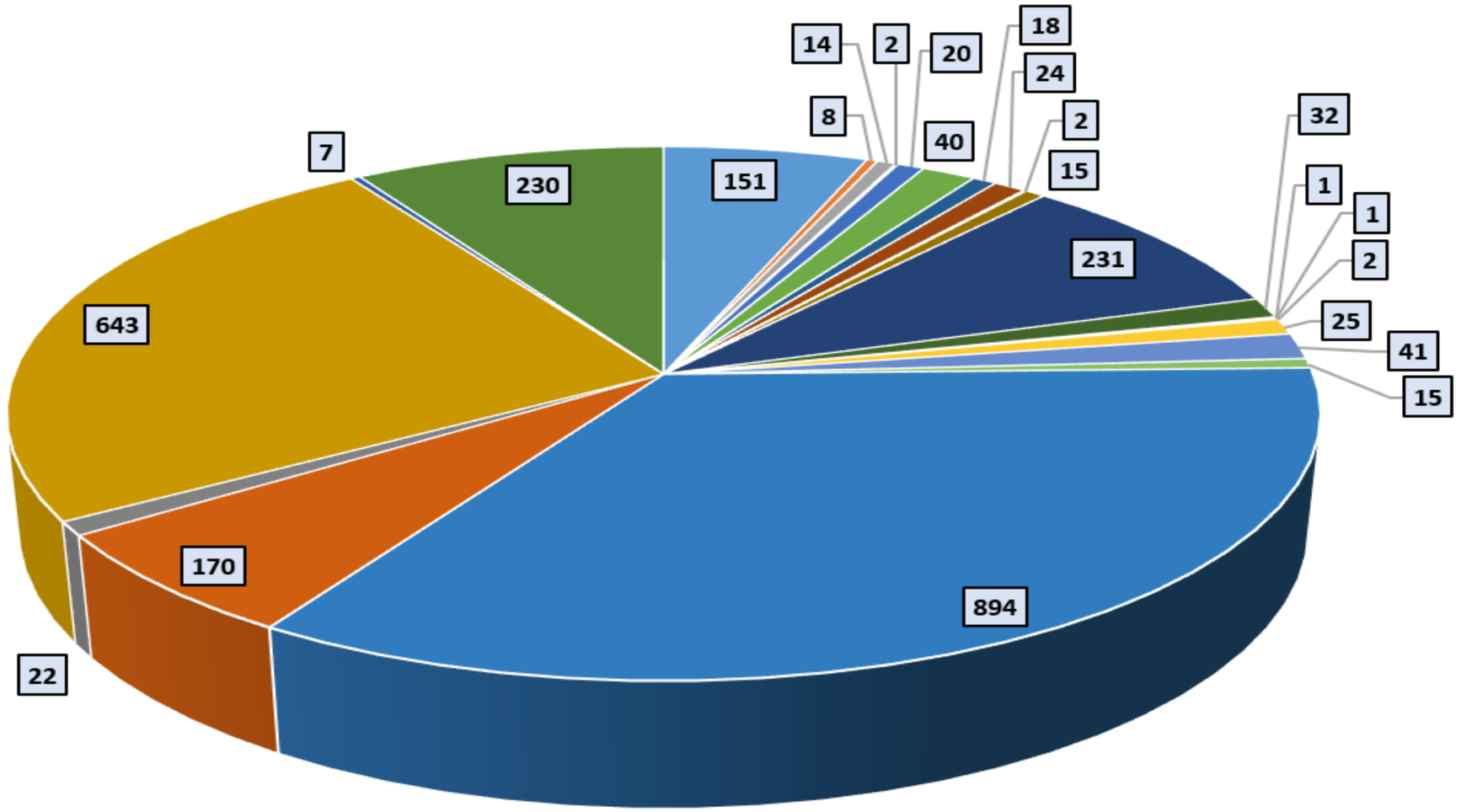
FJD 69.37M

outstanding across
24 product lines



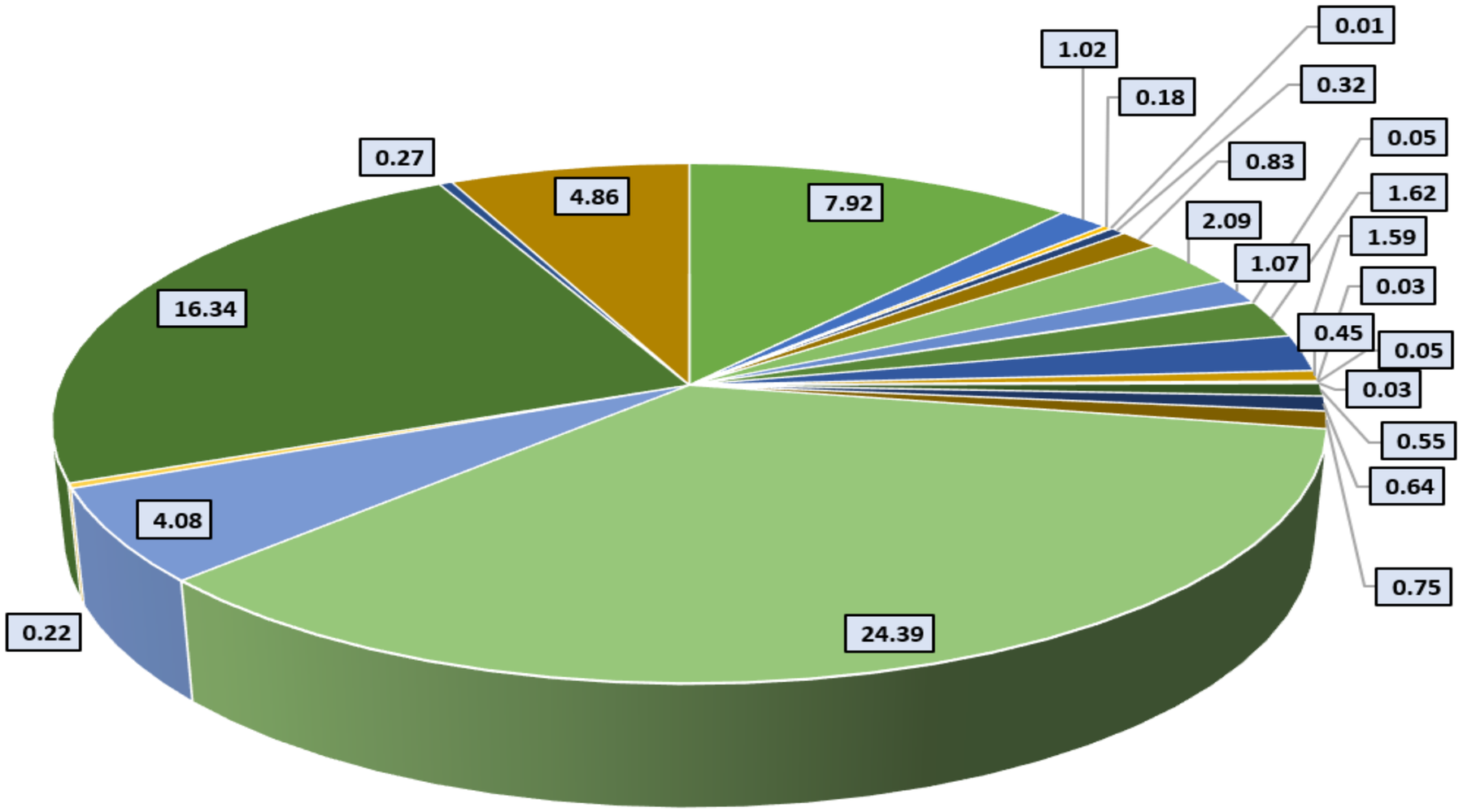
Most concentrated credit sits in growing of sugar cane, root crops and agricultural services — three lines that together carry the majority of FDB's agricultural exposure.

Agricultural Products by Number



- AGRICULTURAL SERVICES
- AQUACULTURE
- AVCF Dairy
- AVCF GINGER
- AVCF Rice
- BEEF FARMING
- BROILER PRODUCTION
- DAIRY FARMING
- DUCK FARMING
- EGG PRODUCTION
- FISHING
- GOAT FARMING
- GROWING AND CURING OF TOBACCO
- GROWING OF COCOA
- GROWING OF COCONUTS
- GROWING OF FRUIT CROPS
- GROWING OF GINGER
- GROWING OF RICE
- GROWING OF SUGAR CANE
- GROWING OF VEGETABLES
- HONEY BEE FARMING
- ROOT CROPS-DALO,YAQONA & OTHER
- SHEEP FARMING
- Sugarcane Farmers Special Loan Facility

Agricultural Products by Value ($m)



- AGRICULTURAL SERVICES
- AQUACULTURE
- AVCF Dairy
- AVCF GINGER
- AVCF Rice
- BEEF FARMING
- BROILER PRODUCTION
- DAIRY FARMING
- DUCK FARMING
- EGG PRODUCTION
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- GROWING OF VEGETABLES
- HONEY BEE FARMING
- ROOT CROPS-DALO,YAQONA & OTHER
- SHEEP FARMING
- Sugarcane Farmers Special Loan Facility

05 Loan Distribution

Where the money sits.

Loans above $1,000 distributed across seven ticket-size buckets — the long tail sits in $30k and above, and a small number of large facilities dominate the value.

Loans > $1,000

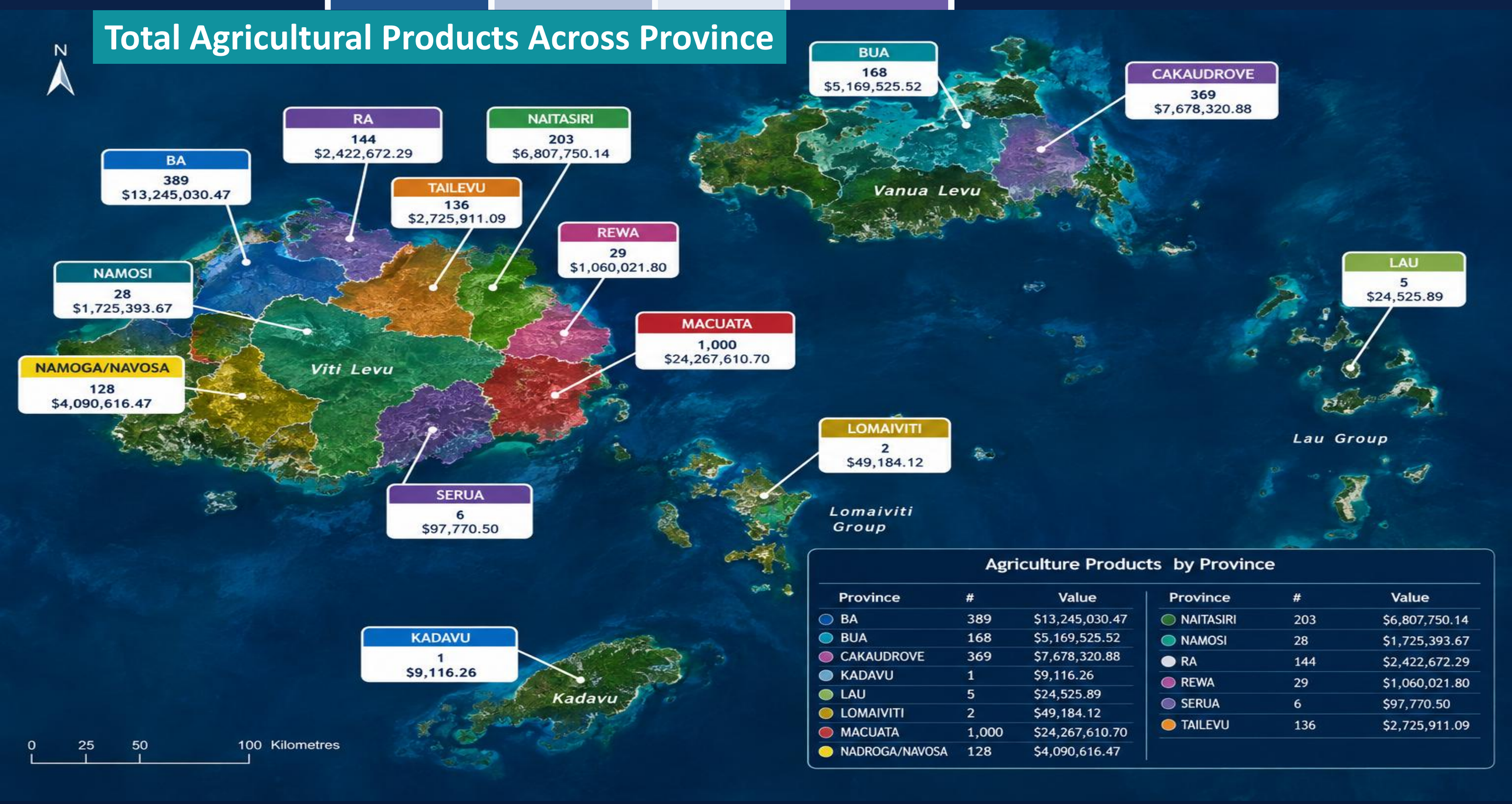
2,608

accounts

Portfolio value **FJD 69.37M**

Bracket	Portfolio value (linear, max = $100k+)	# Accounts	Value (FJD)
Up to $1k		237	112,411.01
$1k — $10k		936	4,876,920.55
$10k — $20k		527	7,497,355.63
$20k — $30k		328	8,107,308.06
$30k — $50k		271	10,423,678.30
$50k — $100k		213	14,567,704.40
Largest bracket **$100k and above**		# Accounts **96**	Value (FJD) **23,788,071.85**

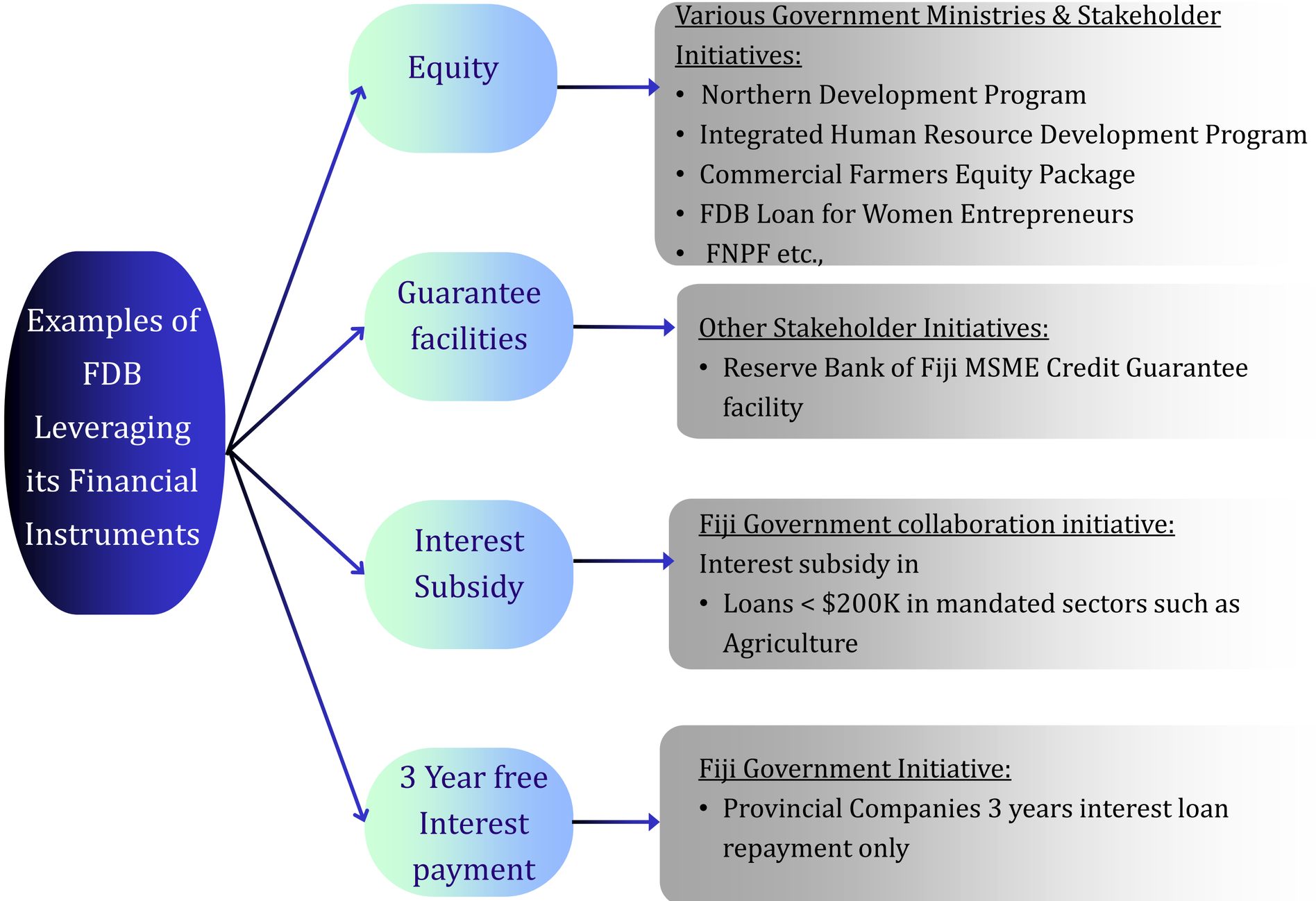
Total Agricultural Products Across Province



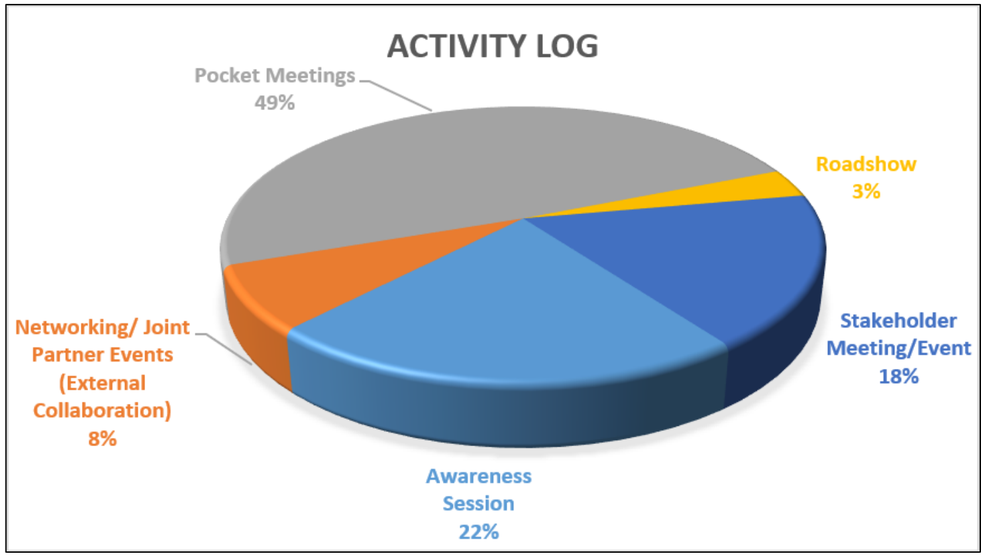
Agriculture Products by Province

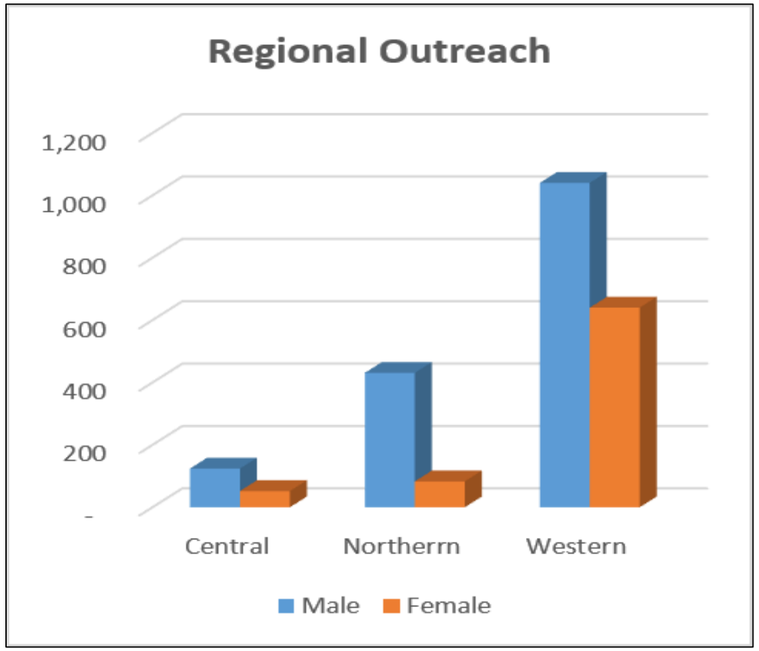
Province	#	Value
BA	389	$13,245,030.47
BUA	168	$5,169,525.52
CAKAUDROVE	369	$7,678,320.88
KADAVU	1	$9,116.26
LAU	5	$24,525.89
LOMAIVITI	2	$49,184.12
MACUATA	1,000	$24,267,610.70
NADROGA/NAVOSA	128	$4,090,616.47

Province	#	Value
NAITASIRI	203	$6,807,750.14
NAMOSI	28	$1,725,393.67
RA	144	$2,422,672.29
REWA	29	$1,060,021.80
SERUA	6	$97,770.50
TAILEVU	136	$2,725,911.09


Examples of FDB Leveraging its Financial Instruments
Equity
Various Government Ministries & Stakeholder Initiatives:
• Northern Development Program
• Integrated Human Resource Development Program
• Commercial Farmers Equity Package
• FDB Loan for Women Entrepreneurs
• FNPF etc.,
Guarantee facilities
Other Stakeholder Initiatives:
• Reserve Bank of Fiji MSME Credit Guarantee facility
Interest Subsidy
Fiji Government collaboration initiative:
Interest subsidy in
• Loans < $200K in mandated sectors such as Agriculture
3 Year free Interest payment
Fiji Government Initiative:
• Provincial Companies 3 years interest loan repayment only

FDB FY2026 Community Outreach





Key Activities	No.	Participation	
		Male	Female
Awareness Session	79	453	191
Networking/ Joint Partner Events (External Collaboration)	27	247	140
Pocket Meetings	176	365	145
Roadshow	12	129	99
Stakeholder Meeting/Event	64	401	200
Grand Total	**358**	**1,595**	**775**
		2,370	***33%***

Region	Male	Female
Central	124	52
Northerrn	431	83
Western	1,040	640
Grand Total	**1,595**	**775**

ENHANCING THE BANK'S VALUE CHAIN INITIATIVE

From Production to Market–Linked Farming

Under the Bank's Value Chain Initiative, FDB intends to **further enhance its current approach to supporting the agricultural sector** by strengthening the linkages between **farmers, aggregators and established markets**. The aim is to move beyond financing individual farmers in isolation toward an integrated, contracted and commercially viable **farmer–to–market value chain**.

01 The Shift in Approach

CURRENT APPROACH

Individual farmers, financed in isolation

Support directed at standalone farmers — with limited visibility of where the produce goes, who buys it, or how cash flows through the season.

ENHANCED APPROACH

An integrated farmer–to–market value chain

Financing supported by stronger **production, aggregation and market linkages** — with confirmed market opportunities built into the deal.

This allows the Bank to play a more active role in facilitating sustainable agricultural value chains — supporting farmers to transition from production to commercially viable, market-linked farming.

PRODUCTION CAPACITY · AGGREGATION · MARKET LINKAGES · CONTRACTED FARMING

02 What the Enhanced Approach Involves

STEP 01

Profile the farmers

Identifying and profiling farmers by their **commodities, production capacity, location and financing needs**.

STEP 02

Identify the buyers

Identifying suitable **aggregators, processors and market off-takers** to whom farmers can supply their produce.

STEP 03

Contract the arrangement

Facilitating **structured and contracted farming arrangements**, where appropriate, linking farmers to a defined market.

03 The Farmer–to–Market Value Chain

Farmers
Profiled by commodity, capacity, location and financing need.

→

Aggregators & Processors
Reliable off-takers providing a defined market for the produce.

→

Established Markets
Confirmed demand that anchors production and repayment.

KEY COMPONENT — **Structured and contracted farming arrangements** link farmers with reliable aggregators or buyers — giving greater certainty around market access, while enabling FDB to better assess the farmer's **production capacity, cash flows and financing requirements**.

04 Expected Outcomes

1. **Improve farmers' access to reliable markets**
2. **Strengthen linkages between farmers and aggregators / off-takers**
3. **Support increased and more consistent agricultural production**
4. **Provide FDB with better visibility of the underlying value chain and associated risks**
5. **Enable financing to be better aligned with the production cycle, cash flows and confirmed market opportunities**

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09 Closing Remarks

Thank you. We look forward to the dialogue.

The Fiji Development Bank welcomes the Committee's continued engagement on agricultural financing — we will provide the access, clarifications, and follow-up data the Committee requires to fulfil its oversight and scrutiny mandate.

Total Book

2,608

agricultural accounts

Total Value

FJD 69.37M

portfolio outstanding

Get In Touch

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Facebook
Fiji Development Bank

Continuing the engagement

We will respond to the Committee's questions and provide any supplementary material requested.

Background

Fiji Co-operative Dairy Company Limited (FCDCL) was established under the **Dairy Restructure Decree of 2010**, following the restructuring of Fiji's dairy industry into two entities: Fiji Co-operative Dairy Company Limited (FCDCL) and Fiji Dairy Limited (FDL). FCDCL, which is wholly owned by Fiji's dairy farmers, operates as a commercial company responsible for collecting raw milk from dairy farmers and supplying it to FDL for processing. The company also holds a 20 percent shareholding in FDL on behalf of its farmer-shareholders. Governed by a Board of Directors comprising elected dairy farmers and Government representatives, FCDCL plays a vital role in supporting the dairy industry through feed and farm input supply, animal health and husbandry services, technical advisory support, milk collection and transportation, and other developmental services. Guided by its vision of achieving self-sufficiency in Fiji's liquid milk requirements, FCDCL is committed to improving farmer livelihoods, promoting quality milk production, and delivering sustainable value to shareholders and industry stakeholders through sound corporate governance, innovation, and strong farmer partnerships.

Vision:

To work towards self-sufficiency in Fiji's liquid milk requirements by being the sole supplier of premium-quality raw milk and the preferred provider of upstream activities in the dairy industry.

Mission:

To exceed dairy farmers' expectations through quality services, timely support, continuous improvement, strategic leadership, and the provision of relevant information that enables the production of premium-quality raw milk while enhancing the success and sustainability of Fiji's dairy sector.

FCDCL Values

1. Integrity

FCDCL conducts its operations with honesty, transparency, and ethical behaviour in all interactions with farmers, employees, customers, shareholders, and stakeholders. Integrity forms the foundation of trust and good corporate governance.

2. Respect

The company values and respects its employees, dairy farmers, and business partners. It promotes a positive work environment where individuals are treated fairly, their contributions are recognized, and collaboration is encouraged.

3. Teamwork

FCDCL believes in working together to achieve common goals. By fostering cooperation among staff, farmers, management, and stakeholders, the company strengthens the dairy industry and improves overall performance.

4. Responsiveness and Accountability

The organization is committed to providing timely, effective, and high-quality services to its farmers and stakeholders. Being responsive ensures that farmers receive the support they need to maintain productivity and profitability.

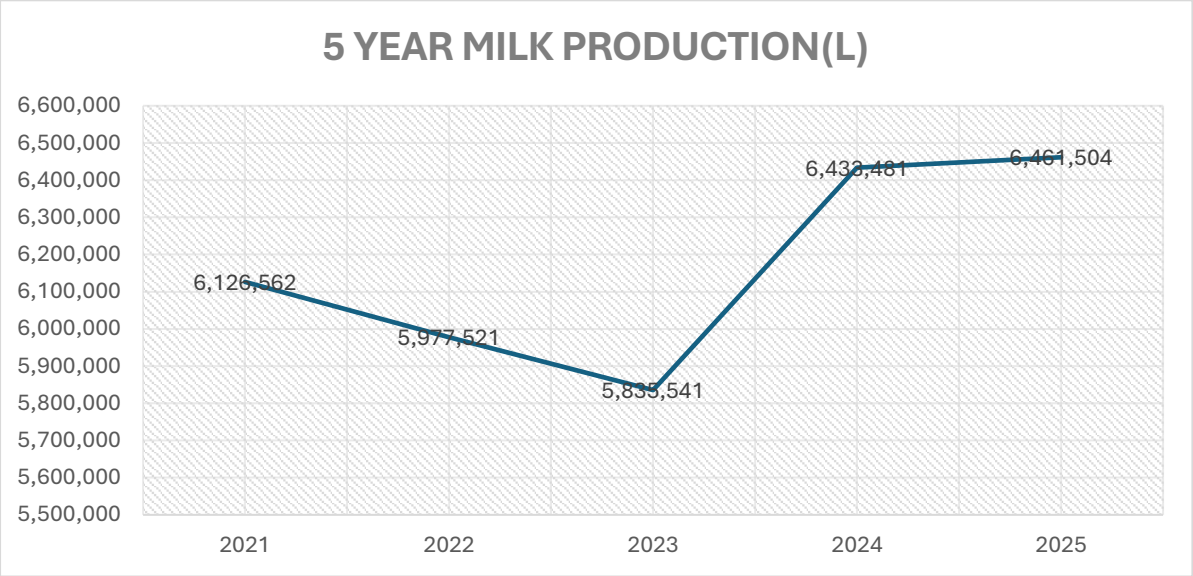
5. Innovation and Continuous Improvement

FCDCL encourages creativity, entrepreneurship, and proactive thinking. The company continuously seeks better ways to deliver services, improve dairy farming practices, and enhance the livelihoods of farmers.

Operational Highlights 2025

This report outlines the current financial and operational status of FCDCL, highlights key challenges, and presents corrective measures and strategic initiatives to ensure sustainability and growth. The focus remains on strengthening governance, improving efficiency, and securing external support where necessary.

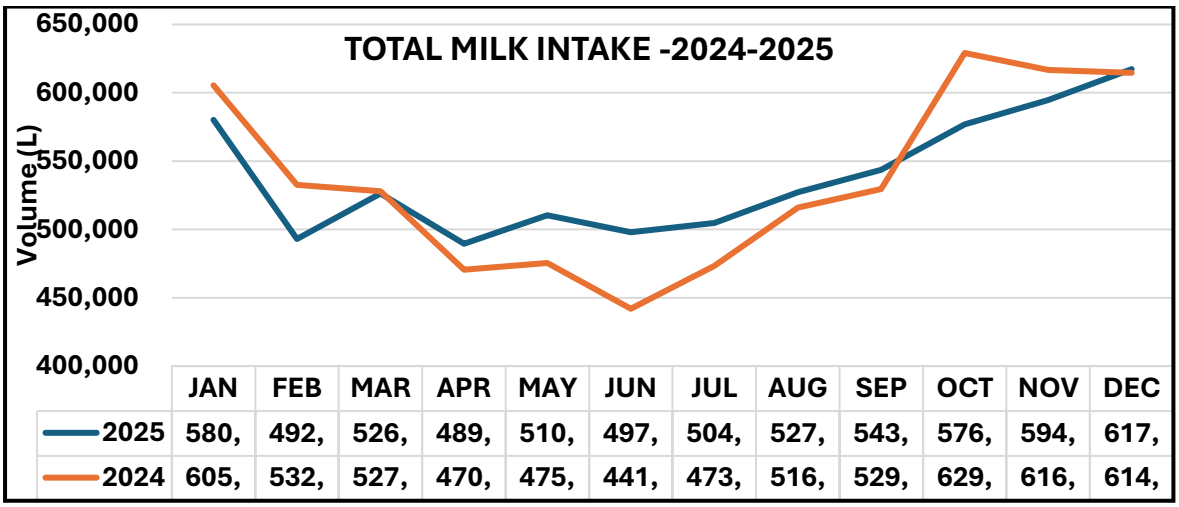
Milk Production



- 📉 **Decline (2021–2023):** Production fell steadily from **6.12 million liters in 2021** to **5.83 million liters in 2023**, showing a downward trend over three years.
- 📈 **Recovery (2024–2025):** Output rebounded sharply in 2024 to **6.43 million liters**, followed by a slight increase in 2025 to **6.46 million liters**.
- 🔎 **Overall Insight:** After an initial decline, the industry experienced a strong recovery, stabilizing at higher production levels by 2025.

In short: **Fiji's dairy sector saw a dip in production up to 2023, but bounced back strongly in 2024 and maintained growth in 2025.**

2024-2025 Monthly production trends

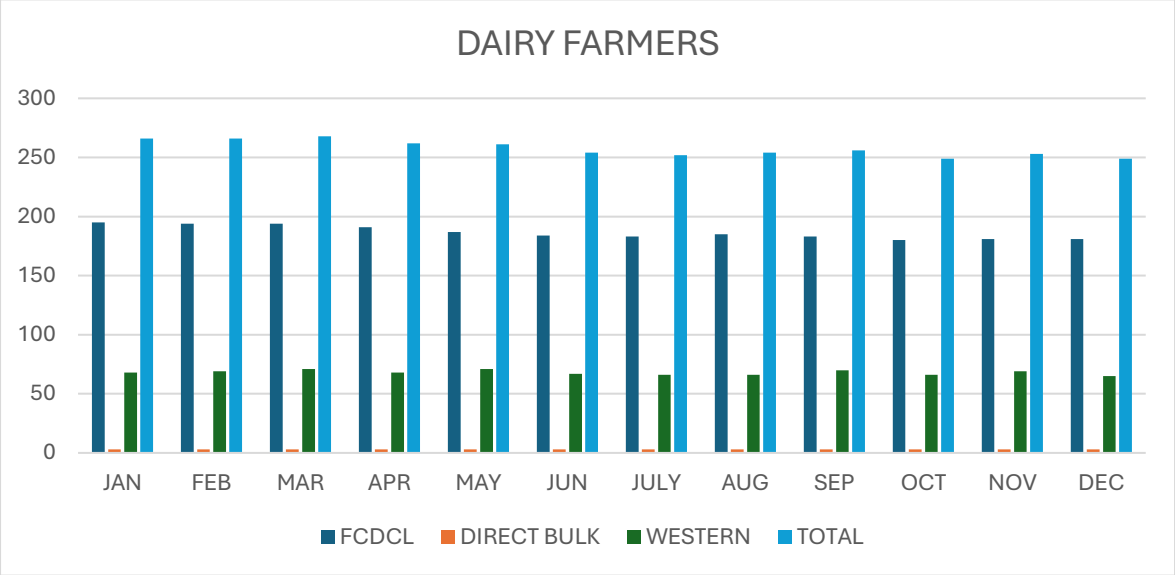


	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2025	580,	492,	526,	489,	510,	497,	504,	527,	543,	576,	594,	617,
2024	605,	532,	527,	470,	475,	441,	473,	516,	529,	629,	616,	614,

- 📉 **Early Year Comparison:** In January 2025 intake (580k L) was slightly lower than 2024 (605k L). This pattern of lower volumes continued through the first half of the year, with notable dips in April–June 2025 compared to 2024.
- ⚖️ **Mid-Year Stabilization:** From July to September 2025 volumes (504k–543k L) were close to 2024 levels, showing stabilization after earlier declines.
- 📈 **Strong Finish:** Toward the end of the year, 2025 intake rose steadily, peaking at **617k L in December**, slightly higher than 2024's 614k L.

Overall Insight: Milk intake in 2025 started weaker than 2024, lagged through mid-year, but showed resilience and closed the year stronger, surpassing 2024 in the final quarter.

Farm Numbers



- 🔹 **FCDCL Farmers:** Consistently the largest contributor group, averaging around **180–190 farmers** each month.
- 🔹 **Western Farmers:** A smaller but steady group, contributing about **60–70 farmers** monthly.
- 🔹 **Direct Bulk Suppliers:** Minimal contribution, three farms throughout the year.
- 🔹 **Total Farmers:** The combined figure remains stable at around **250–260 farmers** each month, showing little fluctuation across the year.

Overall Insight: The dairy farmer base is stable, with FCDCL farmers forming the backbone of supply, Western farmers providing supplementary support, and direct bulk suppliers playing only a minor role. The total number of active farmers remains consistent, indicating reliability in farmer participation across the year.

Major Issues faced by Dairy farmers

1. Low Milk Production & Import Dependence

- Fiji produces only **~6 million litres annually**, meeting about **25% of demand**.
- Heavy reliance on imports (**75% of dairy products**) exposes the country to global price shocks.

2. Disease Legacy

- The **2009 brucellosis and bovine tuberculosis outbreak** devastated herds.
- Milk output fell from **10 million litres to 3 million litres**, and recovery has been slow.

3. Climate Change Impacts

- Pasture loss, water scarcity, and rising parasite activity reduce yields.
- Climate variability increases herd vulnerability.

4. Rising Costs

- Feed accounts for **up to 50% of farm expenses**.
- Fuel and transport costs continue to erode farmer margins.

5. Land Lease Expiry & Limited Access

- Expiring leases restrict herd expansion.
- Farmers call for more land allocation to dairy farming.

6. Farmer Demographics & Capacity

- Active farmer numbers have dropped from **~220 to ~180**.
- Many are aging smallholders with limited resources, slowing modernization.

7. Unsustainable Farm-Gate Prices

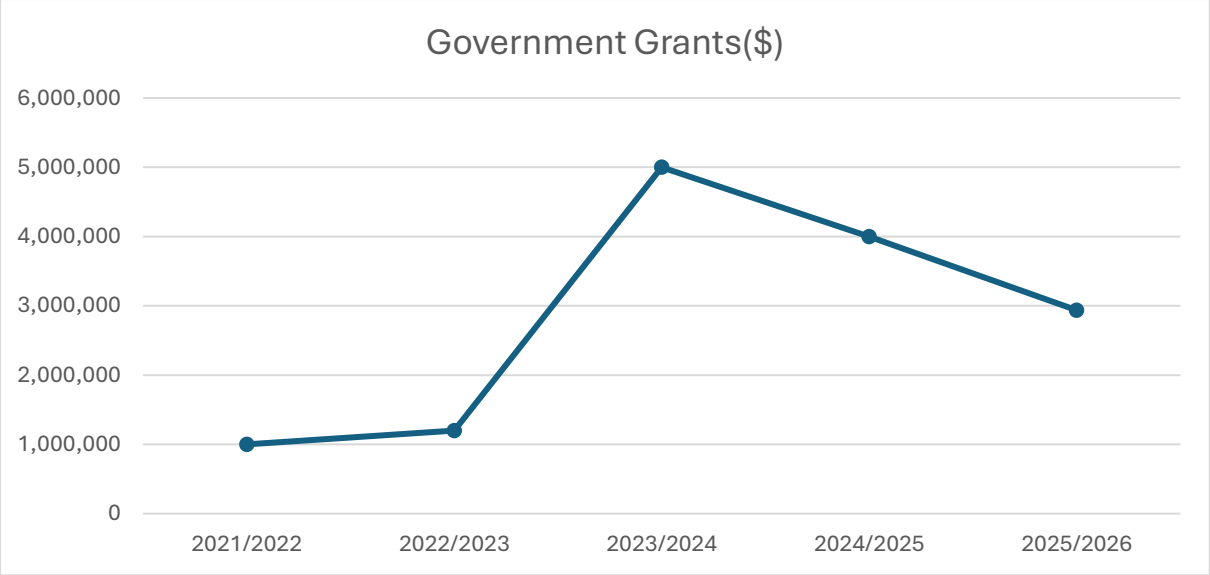
- Current price: **$1.07–$1.12 per litre**, below viability.
- Farmers advocate for **$1.50–$1.80 per litre**.

8. Cattle Theft

- Increasing reports of **livestock theft**, especially in rural areas.
- Loss of animals directly reduces herd size and milk output.
- Creates financial insecurity and discourages investment in herd expansion.
- Farmers often lack adequate security measures, making them vulnerable.

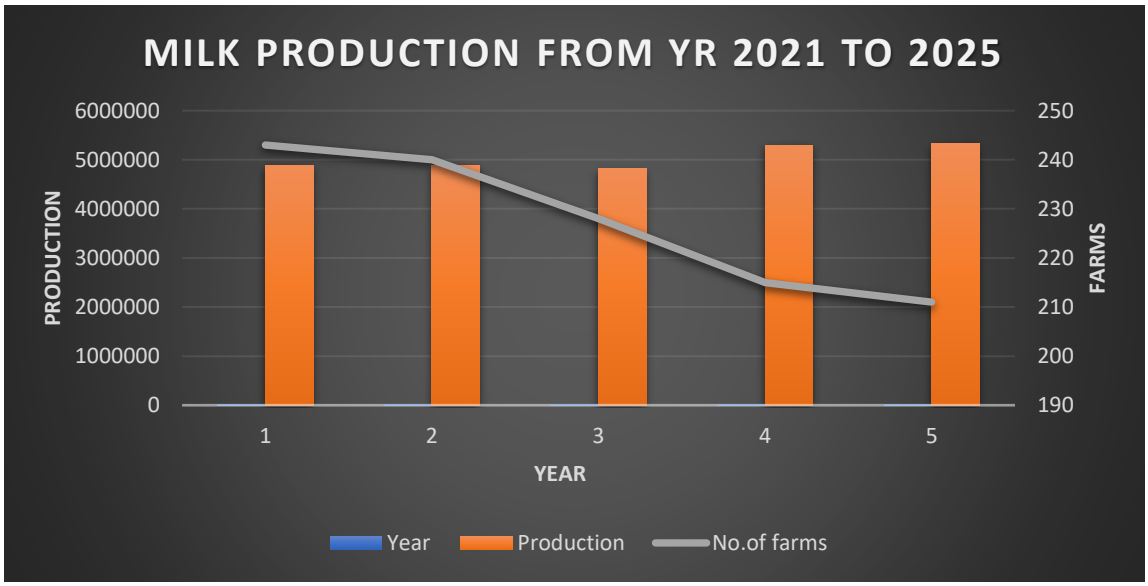
Government Grants

The Government has been very supportive of the Dairy Industry. The Ministry of Agriculture has injected much effort in reviving the dairy industry to ensure that farmers get the necessary resources to cope with the dire circumstances confronting their operations.



The increase in FCDCL total income is a result of government grants. Reliance on **government grants** introduces volatility and sustainability depends on continued support.The grants are used mainly for CMR/Calf grower, Milk top up price, milk cartage payment, livestock feed and nutrition, fodder, water reticulation, drainage, roads , awareness and dairy advisory services.

PRODUCTION TRENDS 2021-2025- Positive Effect of Government Grants on Production



- 📊 **Milk Production (2021–2025):** Output stayed relatively stable across all five years, hovering around the same level without major increases or decreases.
- 🐄 **Number of Farms:** There was a steady decline in farm numbers from year 1 to year 5.
- 🔎 **Key Insight:** Even though fewer farms were operating, overall milk production did not drop. This suggests improved efficiency in production methods.

In short: **Milk production remained consistent despite a shrinking number of farms, pointing to greater efficiency or larger-scale operations. Milk top up price will motivate the farmers to bring in efficiency and increase production as observed in the last three years.**

Dairy Advisory services

The Farm Service Department of Fiji Co-operative Dairy Company Limited plays an important role in providing technical, veterinary, husbandry, dairy advisory, farm development, and administrative support to dairy farmers. The Department works closely with farmers to promote good farm management practices, improve animal health and welfare, maintain milk quality and hygiene standards, and support sustainable dairy production.

The Farm Service team carried out a range of activities across dairy farms, including dairy advisory services, husbandry practices, pregnancy testing, veterinary assistance, milking machine inspections and maintenance, milk quality and hygiene monitoring, farm development activities, feed delivery, government grant project monitoring, meetings, training, and other administrative and adhoc duties.

These activities were undertaken in response to farmers' needs and requests, with the overall objective of providing timely and practical support to improve farm management, strengthen animal health practices, maintain proper hygiene standards, and promote the production of safe and quality milk. The activities reflect the Department's continued commitment to supporting farmers and improving the overall performance of the dairy sector.

🌱 Strategic Way Forward – Fiji Cooperative Dairy Company Limited

1. Strengthening Farmer Support & Engagement

- Expand farmer training programs in modern dairy practices, herd health, and feed management.
- Introduce incentive schemes for quality milk production and timely supply.
- Enhance cooperative communication channels to ensure transparency and trust.

2. Operational Efficiency & Modernisation

- Implement digital systems for milk collection, farmer payments, and supply chain tracking.
- Streamline procurement and logistics to reduce costs and improve reliability.

3. Financial Sustainability & Growth

- Diversify revenue streams
- Strengthen financial governance and reporting to attract government and donor funding.

- Explore partnerships with local and international investors for capital expansion.

4. Market Development & Branding

- Position Fiji Dairy Cooperative as a trusted national brand for supplier of fresh, safe, and locally produced dairy.

5. Climate Resilience & Sustainability

- Promote climate-smart dairy farming practices (improved pasture management, renewable energy use).
- Develop risk-management strategies for climate variability and supply disruptions.
- Align cooperative initiatives with Fiji's national sustainability and food security goals.

6. Governance & Leadership

- Strengthen board oversight and accountability mechanisms.
- Build management capacity in strategic planning, HR, and corporate governance.
- Foster a culture of innovation, collaboration, and continuous improvement.

📌 **Conclusion:**

The way forward for Fiji Cooperative Diary Company Limited lies in balancing farmer empowerment, operational efficiency, financial sustainability, and market expansion. By modernising systems, diversifying products, and embedding resilience, the cooperative can secure its role as a cornerstone of Fiji's agricultural and economic development

Verbatim Report from closed submissions

1. Agro Marketing of Fiji and i-Taukei Land Trust Board

2. Fiji Co-operative Dairy Company Ltd and Biosecurity of Fiji

3. Ministry of Environment and Fiji Development Bank

[VERBATIM REPORT]

STANDING COMMITTEE ON NATURAL RESOURCES

MINISTRY OF AGRICULTURE ANNUAL REPORT 2022 - 2023

ENTITY: Agricultural Marketing Authority (AMA) and iTaukei Lands Trust Board (iTLTB)
VENUE: Small Committee Room (SCR)
DATE: Monday 21st September 2026

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD AT THE SMALL COMMITTEE ROOM 2, PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON 21ST SEPTEMBER 2026 AT 10.40 A.M.

Present:
Hon. I.S. Kuridrani - Deputy Chairperson
Hon. S. Kumar - Member
Hon. V. Nath - Member
Hon. J.N Nand- - Member

Apologies:
Hon. K.V. Ravu - Chairperson
Hon. T. R/ Matasawalevu - Member

Interviewee/Submittee: Agro Marketing Authority (AMA)

In Attendance:

1. Mr. Jone Sovalala - Chief Executive Officer
2. Ms. Ashika Naidu - Financial Controller
3. Ms. Sandhiya Singh - Manager People.

Interviewee/Submittee: iTaukei Land Trust Board (iTLTB)

In Attendance:

1. Mr. Solomoni Nata - Chief Executive Officer (CEO)
2. Mr. Salimoni Karusi - Board Secretary (BS)
3. Mr. Tawake Tuitokatuadua - Interim Chief Financial Officer (ICFO)
4. Mr. Cama Raimuria - General Manager Corporate Services (GMCS)
5. Mr. Mosese Ratubalavu - Reserves Commissioner (RC)
6. Mr. Isoa Tuwa - General Manager Estate Services (GMES)

DEPUTY CHAIRMAN.- Good morning and thank you for attending today's joint consultation with the Chief Executive Officer of the Agricultural Marketing Authority (AMA), the Chief Executive Officer of the iTaukei Lands Trust Board (iTLTB), and the senior staff of iTLTB. We appreciate your availability this morning for this important discussion and consultation.

We will begin with the Agricultural Marketing Authority. You will be given 15 minutes for your presentation, which will allow sufficient time for members to ask questions that were gathered

during our field visits around Fiji. These questions were raised by members of the public concerning your services, responsibilities, and role.

Before we begin, a few housekeeping matters. Please ensure that your mobile phones are switched off or placed on silent mode. When speaking, kindly use the microphone and ensure it is switched on.
(Introduction of AMA officials)

MR. J. SOVALALA.- Mr. Chairman, I will briefly provide some background on the history of the Agricultural Marketing Authority (AMA). During the 1940s and 1950s, the organisation was known as the Commodity Council, which comprised commodity-specific councils such as the Ginger Council, the Banana Council, and others representing different agricultural products.

Following Fiji's independence, several entities were established, beginning with the National Marketing Authority. This was later renamed the National Trading Company Limited (NATCO), which subsequently evolved into Food Processing Fiji Limited. Around 2004, the Government enacted legislation establishing the Agricultural Marketing Authority (AMA).

The changes in organisational structure and naming were largely aimed at improving financial discipline and governance, which contributed to the creation of the new entity. Since its establishment in 2004, AMA has operated for approximately 22 years and has experienced various challenges. It is important to note that AMA is one of two registered exporters in the sector and is not the sole player in the market. According to our records, approximately 1,200 farmers are registered with AMA across the Northern, Central, and Eastern Divisions.

Our vision is "Marketing for a Sustainable Rural Economy." Our mission is to facilitate the purchase, sale, and export of agricultural and aquatic produce in order to stimulate economic growth within rural, remote, and maritime communities.

I will not go into detail regarding our organisational values. However, in 2023, we developed our first Strategic Development Plan, which serves as a comprehensive planning document. Previous entities did not have a formal strategic planning framework of this nature. In addition to the Strategic Development Plan, we have also developed a Corporate Governance Manual to guide the Board in its decision-making and oversight responsibilities.

As members may be aware, AMA is one of two Government-owned entities involved in the export of agricultural commodities, the other being Food Processors Fiji Limited. AMA is unique in that it falls under the Ministry of Agriculture, whereas most other state-owned enterprises come under the Ministry of Public Enterprises. Consequently, both the AMA Board and the Chief Executive Officer operate under the Ministry of Agriculture. This provides a brief overview of AMA, its history, vision, and mission.

DEPUTY CHAIRMAN.- I would like to invite members to raise any questions that were collected during the field visits conducted a few weeks ago. This is the appropriate time to do so.
My question is directed to the CEO. I understand that AMA is one of many exporters currently operating in Fiji. One of the major challenges in the agricultural sector concerns farmers in remote areas. From my understanding, many exporters tend to work with farmers who are located closer to towns and within easily accessible areas.

Does AMA make special efforts to visit and engage with farmers in remote locations? For example, farmers living in the highlands often face significant difficulties in transporting their produce to rural collection points, markets, or exporters. I can appreciate the current approach of

some exporters, as they naturally tend to work with farmers who are easily accessible by road and are located nearer to urban centres.

However, my concern is for those farmers in communities. What measures does AMA have in place to ensure that these farmers are also able to access markets and benefit from export opportunities despite the logistical challenges they face?

MR. J. SOVALALA.- Mr. Chairman, those are our core customers, particularly farmers located in rural and maritime communities. The main challenge in serving rural areas is transportation. However, we have no issue travelling to places such as Nadarivatu, the highlands of Naitasiri, or Namosi if farmers require our services. Our greater challenge lies in servicing the maritime islands due to shipping schedules and transport availability.

In addition, many of the commodities we handle are highly perishable and have a limited shelf life. For example, once cassava is harvested, it should ideally reach our base in Suva within eight hours. If it takes longer than that, the quality of the produce begins to deteriorate.

Therefore, while transportation and logistics remain significant challenges, serving farmers in remote rural communities is central to our mission. We are committed to extending our services to these areas and ensuring that farmers have access to markets for their produce.

HON. V. NATH.- Mr. CEO, you have already mentioned some of the challenges faced by AMA, particularly in reaching farmers located in remote and interior areas. As the Shadow Minister for Rural and Maritime Development, I am interested in understanding how AMA supports farmers in locations that are difficult to access. For example, a farmer in Nadarivatu transporting dalo to a collection point may incur transportation costs of around $500 by hiring a carrier. Similarly, a farmer from Vatua shipping fish or cassava must pay freight charges through shipping services such as Goundar Shipping. How does AMA assist farmers in these situations? I have seen farmers in places such as Baulevu prepare fish for sale by freezing it before transport. What support is AMA providing to farmers to help them overcome these logistical and transportation challenges?

MR. J. SOVALALA.- Mr. Deputy Chairman, we no longer rely on some of the traditional methods because of the operational difficulties they created. Instead, we have taken steps to reach farmers in remote areas by assisting with transportation costs, including covering fuel expenses to help move their produce. For farmers in places such as Nadarivatu, we deploy our own trucks to transport commodities from those locations.

However, we currently face two major challenges. The first is the rising cost of fuel, which continues to place pressure on transportation expenses. The second issue relates to the volume of produce being transported. Farmers are often advised in advance that a truck or carrier has the capacity to carry, for example, 50 bags of produce. However, when the driver arrives, there may be 80 to 100 bags ready for collection. This creates logistical difficulties, particularly given the long distance between Nadarivatu and Nausori. These are some of the key challenges we are currently facing in servicing remote farming communities.

HON .V. NATH.- You mentioned suppliers. How many registered suppliers does AMA currently have?

MR. J. SOVALALA.- We have more than 2,000 registered suppliers. However, not all suppliers provide produce at the same time. Some may supply during a particular year, while others supply only occasionally. We have a group of regular suppliers who consistently work with us, as

well as others who may supply once or twice a year. The frequency of supply often depends on factors such as weather conditions and the type of commodity being produced.

HON. V. NATH.- Thank you, CEO, and thank you to your team for the good work that you are doing. During one of my visits to Baulevu, I had the opportunity to see some of the assistance being provided, including support related to vacuum-packing equipment. I appreciate the help that was offered. Regarding your suppliers, does AMA provide them with farming inputs or production support, or do they produce commodities independently and then simply sell their produce to AMA?

MR. J. SOVALALA.- AMA's primary role is that of a marketing and trading agency. We are responsible for purchasing, marketing, and facilitating the sale of agricultural commodities.
The production side, including the provision of farming inputs, technical advice, and agricultural development support, falls under the responsibility of the Ministry of Agriculture and Waterways.

DEPUTY CHAIRMAN.- Following on from that response, I would like to raise an issue concerning infrastructure development. For many years, the storage facilities in Savusavu have been too small to adequately meet demand. This is particularly concerning given that Savusavu serves as the main collection centre for produce from across Vanua Levu, including the provinces of Macuata, Bua, and Cakaudrove.

I would like to understand who is responsible for expanding this infrastructure to meet the needs of farmers from these provinces. Is it the responsibility of AMA to undertake extensions and upgrades to these facilities, or does this fall under another Government ministry? Alternatively, are there plans to establish additional collection and storage facilities in places such as Bua and Macuata to better serve farmers in those areas? Who ultimately has responsibility for this infrastructure development?

MR. J. SOVALALA.- Mr. Deputy Chairman, our work is closely aligned with the priorities of the Ministry of Rural and Maritime Development, as well as the Ministry of Agriculture. We have plans to expand our operations into Dreketi and Dama. However, one of the major challenges in Dama is the lack of electricity. The nearest power source is located approximately 8 to 10 kilometres away, which presents significant operational constraints.

Regarding land allocation, discussions have already taken place and two lots have been allocated for the proposed development. However, there are still several matters that need to be resolved before the project can proceed.

In many cases, our infrastructure developments are supported and facilitated by other Government ministries. For example, while we intend to expand our facility in Savusavu, we rely heavily on support from the Ministry of Rural and Maritime Development.
Similarly, our proposed development in Dama depends largely on transportation and shipping connectivity. The regularity of vessel services to the area, as well as connections through Ellington Wharf in Lautoka, makes the location a viable option for expansion. Given these factors, we see significant potential to develop our presence in that area.

DEPUTY CHAIRMAN.- Is there any timeframe for these developments? In addition, do you have confirmed funding allocations or estimated costs for the expansion of existing facilities and the establishment of new ones?

MR. J. SOVALALA.- Yes, we are currently exploring the possibility of expanding our operations in Dreketi to better serve the Province of Macuata. At this stage, the Dreketi expansion is

one of our key priorities, and it is the project we are relying on to improve our capacity and services in the area.

HON. S. KUMAR.- Thank you Mr. CEO. I am referring to concerns raised by farmers in Muanweni, which we discussed during our communication last week regarding the grading of dalo and the length of time taken by Agro Marketing Authority to provide grading results. The issue is that farmers supply their dalo to AMA, although I am not certain whether the produce is collected by AMA or delivered directly by the farmers. However, the grading results are often communicated several weeks, or even months, after the initial supply.

When farmers eventually come to collect their payment, they are informed that a certain portion of their produce has been rejected. In many cases, they are shown photographs on a mobile phone as evidence of the rejected produce. This process is not being received well by farmers. From their perspective, it is unreasonable to be informed a month or more later that a specified quantity of their dalo was rejected, based only on photographs shown after the fact.

My question is why is there such a significant delay in the grading and processing of dalo shipments? That is my initial question, and I may have some supplementary questions afterwards.

HON. J. SOVALALA.- Ideally, grading results and any information regarding rejected produce should be communicated to farmers immediately. If there have been delays in providing this information, we acknowledge the concern and apologise for any inconvenience caused.
However, it is important to note that grading outcomes are largely determined by market requirements and quality standards. While we are aware that there have been some complaints, we are committed to improving communication with our suppliers and ensuring that farmers receive timely feedback regarding the quality and grading of their produce.

If there are specific cases or concerns, we encourage farmers to raise them directly with us. Building stronger relationships and maintaining open communication with farmers is important, and they are welcome to contact me or any of our senior staff members to discuss and resolve any issues they may have. We believe that through better communication and engagement, we can address these concerns more effectively and strengthen the working relationship between AMA and our suppliers.

HON .S. KUMAR.- Vinaka. This was one of the main concerns raised during the Committee's visit to Muaniveni. We met with a group of farmers at the home of Mr. Rajesh Prasad, where we documented the issues and concerns, they shared with us. The farmers explained that they are often informed about rejected dalo only a month later, or when they visit AMA to receive payment. They expressed dissatisfaction with this process, questioning how they can verify that the rejected dalo actually belonged to them. They asked, "How are we expected to believe that this was our dalo that was rejected?" Yet they are penalised based on that assessment.

Furthermore, they are not given the opportunity to take the rejected dalo back home, sell it elsewhere, use it for household consumption, or even provide it to their workers. As a Committee, we felt that this practice may not be entirely fair to farmers.

If this issue is not addressed, it could create significant discouragement among suppliers. While the farmers indicated that they were generally satisfied with the prices being offered, they were unhappy with the length of time taken to receive payment and the way rejected produce is handled.

My second question relates to payments. The farmers wanted to know why they cannot be paid directly from the proceeds of their produce once it has been sold. For example, if a farmer

supplies ten tonnes of dalo to AMA, AMA then processes and exports that produce and receives payment from the overseas buyer. The farmers are asking why a portion of those proceeds cannot be paid to them immediately, with AMA retaining its margin or profit. They question why they are sometimes required to wait for several months for payment, or why payments appear to depend on Government grants or funding allocations.
In essence, the farmers would like to know what happens to the revenue generated from the sale of their produce and why payments cannot be made more promptly from those proceeds.

MS. A. MAIDU.- First of all, when we purchase dalo from farmers, the weight often includes soil attached to the crop. In effect, we are paying for that additional weight as well, which represents a cost that AMA has to absorb. This reduces our profit margin, but despite this, we remain committed to ensuring that farmers receive a fair return for their produce.

Regarding the delays in payment, we acknowledge that there were delays, and there were several contributing factors that I would like to explain.
The first factor was the increase in global fuel costs. As fuel prices rose worldwide, our export customers became more cautious and often delayed placing orders while waiting for market prices to stabilise. As a result, shipment volumes were reduced. In some cases, customers placed orders, but only one or two shipments were eventually dispatched.

Another issue was delays in shipment processing and payment cycles. When a shipment reaches markets such as Australia, New Zealand, or the United States, our customers first inspect the produce they have received. Once they are satisfied with the quality of the product, payment is made to AMA. It is only after receiving payment from our customers that we are able to process payments to farmers.

As a result, we experienced cash flow constraints due to increasing operating costs and delayed payments from overseas buyers. However, we are not solely reliant on Government grants. For example, during the last financial year, the Government provided a grant of approximately $869,511 (excluding VAT), while AMA procured around $3 million worth of produce from suppliers.

Another challenge is the competitive environment in which we operate. As our Chief Executive Officer has already highlighted, there are many competing exporters in the market. Because of this competition, AMA cannot simply set its own prices without considering market conditions. We are required to conduct market surveys, and our customers also influence the pricing structure that we can offer.
These are some of the constraints that have affected our operations. However, our cash flow position has now improved, and we are currently able to make payments to dalo farmers and other suppliers in a timelier manner. In addition, the reduction in fuel costs has provided some relief, and we are continuing our efforts to improve services for farmers and prepare for future procurement activities.

DEPUTY CHAIRMAN.- I would like to make a brief observation regarding the complaints raised by farmers about delayed payments. In some rural and remote areas, mobile network coverage is limited or unavailable, making it difficult to use services such as M-Paisa. How does AMA manage payments in those situations? Do you make cash payments to farmers?

MS. A. NAIDU.- Through you, Mr. Deputy Chairman, in areas where electronic payment services are unavailable, we utilise postal services to facilitate payments to farmers. We also aim to process payments as quickly as possible through M-Paisa. Generally, once produce has been received, we try to make payments within two to three days.

For suppliers in remote and maritime areas, particularly those involved in products such as coconuts, fish, and yaqona, we sometimes make alternative payment arrangements. For example, when procuring produce from Kadavu, we often carry cash with us so that farmers can be paid directly for their yams, yaqona, or other products at the time of purchase. This helps ensure that payments are made promptly despite the challenges of operating in remote locations.

MR. J. SOVALALA.- I believe, and experience has shown in recent years, that carrying large amounts of cash presents significant risks. In addition, the Reserve Bank of Fiji has encouraged us to avoid cash transactions as part of sound financial management and accountability practices.
There have been instances in the past where collusion occurred between AMA employees and farmers during cash transactions. As a result, we have taken steps to strengthen our financial controls and improve transparency. One of the measures introduced has been the use of M-Paisa and other electronic payment methods, which provide a more secure and accountable system for both AMA and our suppliers.

DEPUTY CHAIRMAN.- I understand your position. However, in my view, payment options should be determined by the nature of your business and the needs of the farmers.
Many other exporters continue to pay farmers in cash. While there are risks involved, farmers often need immediate access to their money and may not be in a position to wait several additional days after delivering their produce.
I encourage AMA to revisit this issue and consider whether there are practical ways to accommodate farmers who require immediate payment, particularly those in remote areas.

HON. J.N. NAND.- I would like to ask a supplementary question relating to the concerns raised earlier by honourable Kumar. During our visit to meet the farmers, they expressed their frustrations very strongly, and these concerns are recorded in the verbatim report. We will also provide you with the recordings for reference.

The central issue raised by the farmers relates to the process that takes place after their produce is collected. I am not familiar with all the details of AMA's Standard Operating Procedures (SOPs), but it appears there may be aspects of the process that need to be reviewed or improved.
From the farmers' perspective, once the produce leaves their farm, they believe the transaction should effectively be concluded. However, under the current process, the produce is collected, transported, graded at a later stage, and only afterwards do they receive notification, sometimes through photographs sent via Viber, showing that part of their produce was rejected. Many farmers struggle to understand or accept this process. Their preference is for the produce to be assessed at the point of collection so that any issues with quality can be identified and discussed immediately.

For example, if a farmer supplies 50 pieces of dalo, they will prefer that any grading or rejection decisions be made when the produce is received, rather than several weeks later. What they find difficult is that the produce is taken away, and only after a considerable period are they informed that part of it was considered poor quality and subsequently rejected. While the reasons for the rejection may be valid, the farmers do not always understand the process because they are not involved in it at the time the decision is made.

Therefore, my question is whether AMA intends to review or improve its standard operating procedures to address these concerns. The purpose of this consultation is not to assign blame, but rather to identify practical ways to improve the system and strengthen the relationship between AMA and the farmers. At present, many farmers feel frustrated and dissatisfied with the process, and it is important that these concerns be addressed constructively.

DEPUTY CHAIRMAN.- Yeah, that would be our last question before we give it to the time to the iTLTB, but please remain. After the TLTB, then we have a general discussion.

MR. J. SOVALALA.- Mr. Deputy Chairman, prior to today's consultation, we held a number of preliminary meetings and were informed that the Parliamentary Secretariat team would be visiting us. We appreciate the opportunity to engage in these discussions and thank the Committee for the advice and feedback provided. The concerns and recommendations raised today are valuable, and we will take them back for further consideration.

We have gained several important insights from this consultation, and these lessons will help us improve both our operations and the services we provide to farmers. We remain committed to strengthening our processes and ensuring that we continue to support our farming communities effectively.

DEPUTY CHAIRMAN.- Thank you, CEO, and thank you to your staff for your presentation and responses to the Committee's questions. We would appreciate it if you could remain present until the completion of the session with the iTaukei Lands Trust Board (iTLTB). At this point, I invite the Chief Executive Officer of iTLTB to introduce the members of his team.

MR. S. NATA.- honourable Deputy Chairman, members of the committee, the Chief Executive Officer and staff of AMA, thank for the opportunity this morning.

(Introduction of iTLTB officials)

MR. S. NATA.- We came fully prepared for today's consultation following receipt of the Committee's letter, and we attempted to anticipate the types of questions that might be raised.
By way of background, the iTaukei Lands Trust Board (iTLTB) has been in existence since 1940. It was originally established under the *iTaukei Trust Ordinance* and now operates under the *iTaukei Land Trust Act* following Fiji's independence. The legislation is currently under review by the Ministry of iTaukei Affairs.

As an organisation, we undertake structured corporate planning and operate within a strategic framework that projects our activities and objectives over a five-year period. We also place strong emphasis on good governance and financial accountability. Our financial reports are audited annually, and in 2024, we achieved the milestone of having our audited reports completed on schedule for the first time.

Our headquarters is in Suva, with regional offices in Sigatoka, Ba, Rakiraki, Labasa, and Savusavu. In addition, we maintain service centres in Bua, Vunidawa, Dama, and Nadarivatu. These offices were established to improve accessibility and ensure that people living in remote areas can access iTLTB services without having to travel to major urban centres.

As at 17 September, iTLTB managed 55,705 leases covering a total area of 374,588 hectares of land, generating annual lease revenue of approximately $55.9 million.

One of the key challenges we currently face is the renewal of leases across various sectors. This includes agricultural leases, which account for approximately 15,589 hectares of land, as well as tourism leases, which cover around 319 hectares. Although tourism leases occupy a much smaller land area, they generate a significant proportion of our overall revenue and remain an important contributor to income generation.

Mr. S. NATA.- Regarding the renewal and non-renewal of leases, one of the most common frustrations experienced by both landowners and tenants, particularly farmers, is the length of time taken to process lease applications and renewals. We acknowledge this concern and are actively working to improve our processes and reduce turnaround times.

Before we move to the specific questions submitted to us, allow me to briefly address two key issues. Firstly, in relation to lease renewal timelines, iTLTB begins consultations with landowners well in advance, often at least ten years before a lease expires. The renewal of a lease is ultimately based on mutual agreement between the landowners and the lessee, and consultations are conducted to ensure that all parties can discuss their interests and expectations. The reasons for the non-renewal of leases are generally straightforward. One of the primary reasons is outstanding lease arrears. At present, lease arrears total approximately $69 million, which remains a significant concern.

Another reason for non-renewal is the underutilisation or non-productive use of leased land. In some instances, land is not being used for the purpose for which it was originally leased, or it has been diverted to activities outside the approved land use, including uses associated with other economic sectors without the necessary approvals.
In addition, there are legal obligations relating to the support, maintenance, and protection of landowners' interests. Compliance with these requirements is an important consideration when assessing lease renewals. These are some of the key issues I wished to highlight. There have also been cases where both the landowners and the lessee have agreed to renew a lease, including leases covering large estates. However, during the renewal process, we subsequently discover instances of non-compliance with lease conditions or other regulatory requirements. This has become an increasingly significant issue, particularly in relation to estate leases, and is one of the challenges we continue to address.

DEPUTY CHAIRMAN.- Members, I would like to begin with a question relating to the 319 tourism leases that were mentioned in the presentation. As we know, the iTaukei people collectively own approximately 90 to 91 per cent of the land and natural resources in Fiji. My question concerns whether there has been any consideration given to developing special conditions or arrangements within tourism leases that would provide greater opportunities for iTaukei resource owners.

At present, my understanding is that tourism leases operate under a common framework that applies equally to everyone. The conditions, rules, and requirements are generally the same for all parties, regardless of whether they are resource owners or external investors.

Given the significant land ownership held by the iTaukei people, has there been any discussion or strategic thinking around creating specific provisions or incentives that would enable resource owners themselves to participate more actively in tourism developments on their land?

In other words, are there opportunities to design special conditions within the tourism lease framework that would encourage and support iTaukei landowners to engage directly in tourism ventures, rather than participating solely as lessors of the land?

MR. S. NATA.- Historically, many tourism leases established during the 1960s were based on long-term contracts agreed upon mutually by the parties involved. These leases provided stability and allowed developments to progress over extended periods.

Today, we are exploring ways to return to similar arrangements, particularly through the adoption of joint venture models that allow landowners to participate more directly in development

projects. In 2024, iTLTB established a dedicated fund to support this approach. Under this arrangement, a portion of revenue, approximately 80 per cent, is allocated based on operational considerations and the expected rate of return to landowners, where there is equity from the land. Our objective is to generate stronger and more sustainable returns for landowners, with projected returns of around $1 million per month. When an investor comes, there is equity to capitalise on and we want to change the mindset of the iTaukei landowners based on these based investors value the land too.

DEPUTY CHAIRMAN.- When you refer to a joint venture arrangement, is there a specific shareholding structure being considered, such as a 50-50 partnership between the investor and the landowners?

MR. S. NATA.- At this stage, we would like to see the current arrangements restructured to allow for greater participation by landowners. The precise shareholding structure would depend on the nature of the project and the parties involved.

DEPUTY CHAIRMAN.- Do investors find it difficult to accept a 50-50 partnership arrangement?

MR. S. NATA.- Our objective is to restructure these arrangements in a way that allows landowners to be more actively involved in the development and operation of projects, rather than participating solely as lessors of the land. Another reason we would like to be a part of this is due to assisting the landowners with proper negotiation around how their land is leased so that they get the best in return. For example, ion 2018 there were negotiations around the land where the Nausori Bus Stand is built. The investor arrived to begin work on the bus stand however, the company could not start because of issues with the landowners. Therefore, we would like to be part of these discussions as a method to assist the landowners get the better informed and build strong relationships with potential investors.

HON. J.N. NAND.- I have a question regarding lease renewals and the management of land following the expiry of a lease. Firstly, the Committee recognises that iTLTB serves as the custodian of iTaukei land. However, many people at the community level do not fully understand the procedures and considerations involved in lease administration.

One of the concerns raised during our consultations relates to what happens when a lease expires. As we understand it, once a lease expires, the land reverts to the landowners in accordance with the established procedures and protocols.
However, community members have pointed to situations where a lease expires and the land remains idle for an extended period, sometimes for 10 to 15 years, without being re-leased or put to productive use. We observed similar concerns during our visit to Muaniveni.

The issue raised by former lessees is that, after the land has remained vacant for many years, they often encounter difficulties when attempting to lease the land again. From their perspective, the land has been unused for a significant period, yet they are unable to readily regain access to it.

Could you explain iTLTB's standard operating procedures in such cases? Specifically, what is the process when a lease expires, the land remains idle for an extended period, and the former lessee subsequently wishes to reapply for, or regain, a lease over that land? This was one of the key concerns raised in Muaniveni, and we would appreciate further clarification on how these situations are managed.

MR. S. NATA.- The first step is that the land is formally returned to the landowners upon the expiry of the lease. A number of assessments and consultations are then undertaken as part of the process. However, the key principle is that the landowners ultimately have the final say regarding the future use of their land, and any subsequent arrangements require their consent.

Where the land is located outside a designated reserve area, the consent process may differ depending on the circumstances and applicable requirements. Based on the data we have collected, there are currently thousands of farmers residing on or utilising land that has reverted to landowners following lease expiry. This highlights the complexity of lease renewal and land reallocation processes, particularly where multiple interests and stakeholders are involved.

HON.S. KUMAR.- Mr. Deputy Chairman, through you, another interesting concern was raised during our consultations regarding agricultural land that has been taken back by landowners following the expiry or non-renewal of leases. In many of these cases, the former tenants had been actively farming the land, maintaining its productivity, and contributing to economic activity in the area.

These farmers had invested significant time and effort into developing and cultivating the land. The question raised by the affected farmers is whether there are any rules, regulations, or conditions imposed on landowners who choose to repossess leased land but subsequently leave it idle. In other words, if productive agricultural land is taken back from a farmer and then remains unused for an extended period, are there any measures in place to ensure that the land continues to be utilised productively, rather than remaining vacant? This was a concern that many farmers felt strongly about, particularly where productive land is removed from agricultural use and no alternative development or activity takes place.

MR. S. NATA.- Yes as I mentioned earlier, it is important to understand that nothing can happen on the land without the landowner's consent. Also, there are other issues that we are currently addressing in ensuring that the landowners are well informed about the investments of their land and procedures surrounding the leasing of their land. That land will remain like that.

HON .S. KUMAR.- I understand that however, is there any law or rule that on those who take the land back and do not do anything?

DEPUTY CHAIRMAN.- I have another question, this time regarding lease rates. We have different categories of lease rates, including agricultural leases and commercial leases, where tenants pay lease rentals through TLTB on behalf of the landowners. I have previously raised this issue in Parliament in relation to the review of lease rates for water catchment areas. In my view, the current rates appear to be relatively low and do not adequately reflect the importance and value of the resource being protected and utilised.

My question is whether there are special lease rates or calculations applied to water catchment zones, taking into account the significance of the service they provide. In many cases, these catchment areas are reserved exclusively for water supply purposes, meaning that landowners are restricted from utilising the land and its natural resources for other forms of development or economic activity.

As a result, generations of landowners may never fully benefit from the resources located on their land because the area remains protected as a catchment zone. Are there special provisions allowing the lease rates for these lands to be reviewed periodically, such as every five years, to ensure that they properly reflect the value and importance of the water resource being used?

Water is a critical resource and is utilised for commercial and public purposes. However, there is a perception among some landowners that the current lease rates do not adequately compensate resource owners for the long-term restrictions placed on the use of their land.

MR. S. NATA.- Mr. Deputy Chairman, through you, I would first like to note that water itself is not owned by any individual party. However, the catchment areas from which the water is sourced are situated on land that belongs to the respective landowners. Ultimately, decisions concerning these catchment areas involve the landowners because the infrastructure and water source areas are located on their land.

Regarding lease rates, many of the earlier agreements were negotiated under terms and conditions that reflected the circumstances and economic conditions of the time. As a result, some of the older lease arrangements were based on rates that may now be considered relatively modest when compared to current expectations and market conditions. Over time, however, lease arrangements and rental returns have evolved. For example, in the Labasa area, landowners are collectively receiving in excess of $4 million in lease revenue and associated benefits.

It is also important to recognise that lease terms vary considerably depending on the nature of the lease, its location, and the purpose for which the land is being used. Consequently, arrangements that apply in one location may differ significantly from those applying in another area. For instance, the circumstances and lease arrangements affecting landowners in Monasavu are distinct from those applicable to landowners in other parts of the country, reflecting the unique characteristics and uses of those lands.

HON. V. NATH.- Fiji has significant potential for agricultural development. During our travels from Nadi to Suva, we observed large areas of land, including prime agricultural land, lying idle and underutilised. Could you explain the process for a person who wishes to apply for a land lease? What steps are involved in obtaining a lease over iTaukei land?

MR. S. NATA.- The process is relatively straightforward. Any interested person can visit one of our offices and apply for a lease. However, one of the challenges we continue to face is the issue of underutilised or unproductive land. There is often a perception that large areas of land remain idle, but the situation is more complex than it appears.
We maintain records and conduct regular verification exercises. Through our own assessments, we verified approximately 800 leases, although there are thousands more across the country. When we examine the agricultural sector, including cane-growing and other farming areas, we often find a significant difference between the amount of land available for cultivation and the level of actual productivity being achieved.

In many cases, the issue is not necessarily the availability of land, but rather the level of production being generated from that land. For example, average productivity may be around 40 to 50 units per hectare, whereas in other countries production levels can exceed 150 units per hectare.

As a result, our focus is not only on making land available but also on encouraging improvements in productivity. We want to see greater output from existing agricultural land through more efficient and productive farming practices. For anyone interested in obtaining a lease, the process remains simple. Applicants may visit our offices, verify the availability of land, apply, and we will then undertake discussions and consultations with the relevant landowners.

DEPUTY CHAIRMAN.- Recently in Nausori, we observed that the State has been taking action in relation to Crown land that remains uncultivated. In some instances, notices have been issued to leaseholders where the land is not being used productively. As I understand it, certain lease conditions require a substantial portion of the land, for example around 75 per cent, to be actively utilised.

How does iTLTB deal with similar situations involving iTaukei land leases? Do you have conditions relating to land utilisation and productivity? If a leaseholder is not complying with those conditions, does iTLTB engage with the lessee, issue warning notices, conduct negotiations, or take other forms of enforcement action?

MR. S. NATA.- We have a programme called **360**, through which we engage directly with lessees and landowners to discuss issues such as lease arrears, land productivity, and compliance with lease conditions. Our preferred approach is always engagement and consultation. The last thing we want to do is terminate a lease. Obtaining new leases and establishing new arrangements can be a lengthy and difficult process, so our focus is on working with leaseholders to address issues before they escalate.
We strive to provide guidance and support and encourage compliance through dialogue. Our approach is generally a gradual one, beginning with engagement and assistance before moving to more formal enforcement measures where necessary. Termination of a lease is considered a last resort.

DEPUTY CHAIRMAN.- Vinaka. Thank you. Before we move to a broader discussion, I would like to ask one final question. You mentioned the financial assistance programmes being provided by iTLTB, particularly initiatives aimed at supporting participation in tourism developments and other business activities.

My question is: who is eligible for this assistance? Is it limited to registered landowners, or can any individual with a viable business proposal approach iTLTB and apply for support under these programmes?

MR. S. NATA.- The assistance is specifically intended for landowners who are registered in the Vola ni Kawa Bula (VKB). During previous surveys, we found that out of approximately 600,000 registered landowners, only around 100,000 had bank accounts. The majority did not have access to formal banking services.

Even where bank accounts existed, many were used only for receiving payments rather than building savings or investing in business activities. We also found that mobile payment platforms, such as M-Paisa, were largely being used for consumption purposes rather than investment.

Accessing finance remains a significant challenge, particularly for landowners living in remote and rural areas. For many people, engaging with commercial banks and obtaining business financing can be extremely difficult. Even for those with experience and resources, the process can be challenging. For ordinary landowners in villages and rural communities, the barriers are often much greater.

As a result, many landowners remain financially excluded and are effectively considered unbankable under traditional lending criteria. This situation has persisted across generations, limiting opportunities for investment and economic development.

To address this challenge, iTLTB established a dedicated fund aimed at helping landowners participate more actively in business ventures.

The fund is available to individuals, Mataqali-owned companies, Mataqali trustees, landowners' cooperatives, and other collective entities representing landowners. Through this support, we have assisted activities such as logging operations, including the purchase of equipment and trucks.

Our objective is to encourage greater participation by landowners in commercial enterprises. While land and labour are available resources, access to capital remains a major constraint. We believe that enabling landowners to enter into business ventures is an important step towards building entrepreneurship and creating sustainable economic opportunities for iTaukei communities. That is the purpose of the fund.

DEPUTY CHAIRMAN.- A supplementary question. Where a registered landowner wishes to apply for assistance under this programme and submits a business proposal, does the proposed business need to be directly related to the land owned by the applicant or their Mataqali, or can it involve other types of business activities where he is being registered or he can do it anyway, as long as he is registered?

MR. S NATA.- The objective of the fund is to make financing more accessible to landowners. For example, the interest rate is around 2.5 per cent, which is significantly lower than what is generally available through conventional lending institutions.

We recognise that many landowners face difficulties in meeting the requirements imposed by commercial lenders. As a result, wherever possible, we try to relax some of those requirements to make it easier for landowners to access financing.

Our intention is not to compete with financial institutions. Rather, our aim is to provide support and encourage landowners to participate in business and economic activities. If a proposal demonstrates sound business potential, we are prepared to assist.

One of the key issues is security. The law contains provisions regarding security requirements, and land itself can often be a valuable asset in supporting business ventures. In areas such as Ba and Rakiraki, those receiving higher lease incomes generally have greater potential to invest and expand into business opportunities. However, beyond access to capital, there is also the challenge of changing mindsets and encouraging greater participation in entrepreneurship and investment.

Before I conclude, I would like to raise an issue for the Committee's consideration regarding the Agricultural Landlord and Tenant Act (ALTA) and its impact on farmers and landowners. The periodic review of ALTA has not taken place as required. The last review process commenced in 2011 and was completed in 2016. A subsequent review that should have taken place in 2022 has not yet been completed.

The legislation provides for reviews at five-year intervals, and the absence of these reviews has implications for both landowners and farmers. Landowners are aware of these issues, and uncertainty surrounding ALTA often influences discussions on lease renewals and land administration. This is one of the main issues that we wish to bring to the Committee's attention and respectfully recommend for consideration.

DEPUTY CHAIRMAN.- I believe that brings us to the conclusion of our formal questions and the end of today's consultation. On behalf of the Committee, I would like to the CEO, and your team for appearing before us and for your responses to the issues raised. I also extend our appreciation to the CEO of the Agricultural Marketing Authority and his team for their participation this morning. Thank you all for your time and contributions.

Before we close, I will allow an additional few minutes for any general discussion. If any member feels that a matter has not been covered or wishes to raise a final point, we will provide approximately ten minutes for that purpose before formally concluding the meeting.

The meeting ended at 11.47 am.

[VERBATIM REPORT]

STANDING COMMITTEE ON NATURAL RESOURCES

MINISTRY OF AGRICULTURE ANNUAL REPORT 2022 - 2023

ENTITY: (1) Fiji Cooperative Dairy Company Limited
(2) Biosecurity Authority of Fiji

VENUE: Small Committee Room (SCR)

DATE: Wednesday, 23rd September, 2026

VERBATIM REPORT FOR THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD AT THE SMALL COMMITTEE ROOM, PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON WEDNESDAY, 23RD SEPTEMBER, 2026, AT 10.53 A.M.

Present:

Hon. K.V. Ravu	Chairman
Hon. I.S. Kuridrani	Deputy Chairman
Hon. S. Kumar	Member
Hon. V. Nath	Member
Hon. J.N Nand	Alternate Member

Apologies:

Hon. T. R. Matasawalevu	Member

Interviewee/Submittee: Fiji Cooperative Dairy Company Limited

(1) Mr. V. Chand	Chief Executive Officer
(2) Mr. Maciu Raikoso	Farm Manager

Interviewee/Submittee: Biosecurity Authority of Fiji

(1) Mr. S. Pratap	Chief Executive Officer
(2) Mr. Nitesh Dutt	Chief Plant Protection Officer
(3) Mr. Muresh Deo	Chief Veterinary Officer

MR. CHAIRMAN. - Good morning, ladies and gentlemen, I will now call this meeting to order. Please be reminded to use the microphone when you wish to speak, all mobile phones must be kept on silent mode for the duration of the meeting and if you wish to answer a phone call, you may do so by stepping outside.

On behalf of our Parliamentary Standing Committee, I welcome and thank you for accepting our invitation to participate in this morning's meeting. We appreciate your presence and willingness to assist the Committee in our important work. Today's session is a closed-door meeting, providing an opportunity for the Committee to engage directly with key stakeholders and gain better understanding of issues raised during our recent visit and consultation with farmers across the country in the last two weeks.

Throughout this engagement, farmers constantly highlighted a range of challenges that are affecting agriculture growth, productivity, and investment. These concerns include issues relating to access to agriculture land lease, renewal, and expire, environment approval process, biosecurity requirements, and many impacts farming operations and marketing access.

To assist the Committee in explaining these matters, we are pleased to welcome the representatives from Biosecurity Authority of Fiji (BAF) and Fiji Cooperative Dairy Company Limited (FCDCL). I think on Monday, they had a session with iTLTB and Agro Marketing Authority of Fiji and this morning, I am glad that you are here to provide your brief presentation on some of

the issues that were raised by farmers. Once again, my sincere appreciation and welcome all stakeholders present this morning. We look forward to a constructive and productive discussion.

The Committee has questions regarding your respective sectors. I will begin the questions in regard to the dairy industry growth and movements of cattle. There are some concerns raised by farmers regarding the dairy industry, particularly the transfer of milking cows and breeding stock between farmers, particularly, where biosecurity requirements may delay expansion plans. From the Fiji Dairy Cooperative perspective, how can the industry balance disease prevention methods with the needs to improve dairy production and support the growth of the sector?

We understand that we are importing more from overseas, and we want to know the role and how can we solve this. Most of the farmers have told us that they want to leave dairy farms and go to other agriculture. Can you please brief us on that?

MR. V. CHAND.- Mr. Chairman, through you, the FCDCL is a cooperative made-up of farmers where the main aim is to help the farmers increase milk production. Currently, the FCDCL is assisting the farmers mainly through the Government grant. The first help given to farmers are to increase production, we give a Calf Milk Replacer (CMR) or calf milk at a subsidised rate of one – third to two - thirds. We also give feed at a subsidised rate. The feed is dairy mesh, copra, soya and milk mix and all the farmers through FCDCL, through the Government grant, receive a subsidised rate. Milk collection from the farm to the chilling centre is paid through the government grant and FCDCL pays the contractors to do that. In terms of dairy advisory services, the farmers are also provided with dairy advisory services officers who provide them with advice and training to farmers on production and proper hygiene practice and maintenance of a farm. There are a total of eight dairy advisory officers, of which, four of them are paid directly by Government and the remaining four are paid by FCDCL. We also through this year's budget to hire a full-time veterinary officer on board so we can also start providing veterinary services to the farmers. Government has been very kind towards FCDCL and the farmers through grants to ensure that the farmers remain in the dairy industry.

I would like to highlight some of the problems that the farmers have faced over time, and I believe that they may have also raised these concerns with you. I would like to inform this Committee. The first issue faced by our dairy farmers is low milk production and our large dependency on imports. Our current milk production stands between 15 to 20 percent. The market is not a problem for the dairy farmers, unlike other commodities, we have the market within, so the problem is not that we are unable to produce milk, it is due to disease. After the outbreaks of Brucellosis and Tuberculosis (TB), there was a substantial decline in the number of cows that farmers had. Farmers also experienced difficulties even during the recovery period especially with trying to increase the herd size. The other…

MR. CHAIRMAN.- May I interrupt whilst this is still fresh in our minds. You just said that farmers are only able to provide 20 percent production. How can we solve that issue of low milk production?

MR. V. CHAND.- The only way to increase production is to increase the herd size which involves having the right genetics and breed type. At the moment, one farmer can produce around 6 liters of milk, so the efficiency is not there.

HON. I.S. KURIDRANI.- Chairman, may I interrupt for a supplementary question. You have been saying milk production. What is the yield per cow per day? What is the target? What have people been achieving?

MR. V. CHAND.- At the moment, Mr. Chairman, through you, the farmers produce around six litres to ten litres of milk per cow per day. It depends on the farm and the way they feed, for a one - time milk cow, it is around six litres.

HON. I.S. KURIDRANI.- What is supposed to be the expected production?

MR. V. CHAND.- If we compare ourselves with our neighboring countries like Australia and New Zealand, we are far below the target, per cow it should be around 20 litres. We do not have that efficiency and as I said, there are reasons, which include the type of breed we have. We have lost the good breed due to disease so farmers have lost most of their good stock and no longer have the right type of breed which can bring efficiency in terms of per cattle production. The other issue is that some farmers face is the impact of climate change, and we have a farmer who is also a Member of this Standing Committee that will agree. The farmers are currently experiencing a drought.

MR. CHAIRMAN.- How many herds do we need in order for us to have the required percentage of milk per year? Since you mentioned that, the amount of herds has decreased, how do we get into recovery? Is there a recovery plan? You mentioned that currently, one cow can produce six litres per day.

MR. V. CHAND.- The Ministry of Agriculture, FCDCL and the farmers have been in discussions and currently the plan can be implemented in two ways. Firstly, by increasing our cattle size through saving our calves and FCDCL is providing subsidised calves milk to farmers to ensure that the calves are saved and raised on the farm to increase the herd size. The second way is a collaboration between the Ministry, the farmers and BAF in importing live cattle. I believe that the CEO Biosecurity, will elaborate further regarding importing from New Zealand. Unfortunately, New Zealand has disease issues which will be cleared by 2028 and once the disease status has been cleared, then only, will we be able to import from them. If it is not cleared, we will have issues with importing infected cattle.

Mr. Chairman, another important issue is the rising costs which include feed, fuel and other costs that are impacting the farmers directly. In addition to this, is another ongoing issue which relates to the expiry of land leases. When we speak to farmers, when leases expire and renewals are done, the land size decreases for the renewal deceases which affects farmers ability to produce milk and keep cattle from declining. For example, a farmer has a 600-acre farm then the lease expires and upon renewal, only 300 acres is renewed. This will have an impact on milk production and his cattle. This is one of the major issues that the dairy industry is facing at the moment. I understand that it is also felt by other sectors as well, however, for dairy farmers, they require a lot of land. Our dairy farmers mentioned that the amount of land that is made available for farming keeps decreasing over time.

Mr. Chairman, however, on a positive note, while the farm numbers have declined, our production in the last five years, by comparison, has increased and this is attributed to the grants that we have received.

MR. CHAIRMAN.- How much is the Government grant?

MR. V. CHAND.- Mr. Chairman, we received $4 million for this financial period. In the last five years, we received approximately $2 million to $4 million and most of that money went directly to the farmers in terms of feed, nutrition, the calf milk et cetera which have had a positive impact on increasing the milk supply even though the farmers numbers have declined.

HON. I.S. KURIDRANI.- Mr. Chairman, back in 2020 or 2021,the Ministry of Agriculture confirmed that the targeted milk production should be around 10 litres per cow. We are currently on six litres; do you think we can achieve 10 litres?

MR. V. CHAND.- If we have the right breed, feed and nutrition, we should be able to achieve that. Some of the farmers who have large farms are achieving close to that. However, some of our farmers who are subsistent and small, are not able to. Out of around 200 farmers, only seven farmers are bulk farmers and the others are small farmers, so it is difficult for the small farmers to reach that level of production which is the reason they are only producing six litres.

MR. CHAIRMAN.- You mentioned that you receive a government grant of $4 million. Are you able continue to run operations without the grant? Are you able to run on your own?

MR. V. CHAND.- Without government grant, Mr. Chairman, I am afraid to let the Committee know that we will not be able to sustain operations since the grant goes directly to the farmers and this is helping them cling onto dairy farming. Otherwise, most of the farmers might lose interest or it would not be economical for them to continue with dairy farming.

HON. I.S. KURIDRANI.- Where does the Ministry of Agriculture come in? The livestock office that looks after dairy. You mentioned that you manage it and you have diary field service officers. What is the role of the Ministry of Agriculture? When does it comes in? I am referring those in charge of the livestock.

MR. V. CHAND.- Mr. Chairman, the ministry also has a daily division and they supplement the work that our dairy field service officers do. They have officers however, since the ministry has few officers, they do not have a dedicated dairy advisory team to look at dairy only. We have our officers who are dedicated to dairy. For example, if there is a cattle that need services at night, our dairy officers would go and serve them, which the ministry does not have. That is the reason that the Ministry has funded four of dairy advisory service team officers so that we can provide a dedicated service to the dairy sector through FCDCL.

MR. CHAIRMAN.- are there any other questions before we give the floor to Biosecurity Authority of Fiji?

HON. S. KUMAR.- Through you, declaring my interest as a dairy farmer. First, I would like to endorse all the comments made by the CEO of FCDCL. Yes, in our tour regarding the Ministry of Agriculture Annual Report, there were serious questions, issues and comments raised by farmers, particularly bulk farmers and smallholder farmers in terms of their situation in the industry. It is evident and the CEO has said that because of the government grant, with less farmers, we have been able to achieve higher production so far and I would like to thank the Government and the Ministry of Agriculture through which this grant is passed on to FCDCL.

Yes, it is a very interesting, yet a very challenging industry. Another factor is the aging farmers. Our farmers are getting old and retaining youths on the farm is another challenge like the sugar industry. Therefore, we also welcome the optimisation programme supported by the Government whereby we wish to get the farms automated, supply them with the milking machines and work has begun. Few farms have been on trial, and we will see how successful we are. These are some of the efforts that the industry is putting in order to increase the milk supply locally.

The challenges that we still have are with the breed of cattle that we have on our farms and our land sizes. This is due to the fact that our breeds are not good. Those breeds with good genetics that we used to have back in the 1980s and early 1990s, have faded over time and that is how we can

see that our cows are producing 6 to 7 litres, with a maximum 9 litres if we are a one-time milker. As raised by bulk farmers, the only way given the limited land, to produce more milk with the same number of cows is by getting the good breeds because they will be eating the same amount of grass and subsidiary and receiving the same amount of nutrition that we give to them. In return, they will produce more litres of milk.

The small farmers who are not only small by the number of herds, but they have very less land of between 12 to 15 acres with a maximum 20-acre land. They are doing the dairy farm and engaged in other commodities as well. If we are able to import live cattle which produce good litres of milk, then we will see an influx in the supply of milk. The data will double very quickly since whatever we are producing today with the poor breed and the land issue is because one cow per acre is the minimum requirement. At the moment, we are keeping maybe three or four cows per acre.

Naturally, they do not get that nutrition and that is why we need to rely on the nutrition that is provided. If only BAF can assist the dairy industry with the various regulations that are there in place, to assist farmers with the movement of cattle locally if they have overstocked, then we need to have a better system whereby good cattle are allowed to move to other farms or farmers who want to increase their herd size or new farmers who want to come into the industry. The biggest challenge is that they are not able to meet the minimum requirement of operating a dairy farm as they do not have the certain number of milking cows. Another challenge is that we are not able to move the cattle from one farm to another, or from one province to another.

MR. CHAIRMAN.- Can BAF provide some explanation on what the regulations are and why cattle are restricted?

MR. S. PRATAP.- Mr. Chairman, and Members of the Standing Committee, secretariat and colleagues from FCDCL, with regards to BAF, our core role is to safeguard Fiji's agriculture sector, the unique biodiversity, the human help from the zoonotic diseases and to ensure that the Agriculture Sector is sustainable. How we do it? We have a few controls in place, in the areas of pre-border, border and post-border, through which we are able to provide that level of assurance.

Apart from that, we also are responsible for facilitating trade to and from Fiji and this is where the animal importation will come in, which I will cover a little bit in my discussion. When we talk about safeguarding agriculture, we ensure that whatever is imported into the country, whether it is plant product or animal product, it is safe. It is free from Castor diseases. We do not want to introduce any new Castor disease into our environment or biodiversity that will have an impact on the current production system.

This is why we have a very stringent product control measures and import requirements. If there is anyone who would like to import plant, plant product, animal, animal product, or in case of this dairy, we actually give that approval, and it is given when we look at the disease status. If it is an open pathway, if there is already trade going on between the two countries, for example, fruits and vegetables coming from Australia and New Zealand. New Zealand had conducted an import risk analysis, where we identified what the risks associated with those imports.

We have developed mitigating measures in terms of importing so that once those measures are applied, the risk is eliminated and there is no more biosecurity risk. However, if there is anyone who wants to import something for which we have not carried out this risk analysis, then we are responsible for conducting this import risk analysis and develop measures. This is where we have been receiving a lot of requests from the dairy farms or industry in terms of importation of cattle.

As part of our import risk analysis process, we have identified few issues, as rightfully alluded by the CEO. From New Zealand, there are two issues of our concern that we would like to mitigate, that is Mycoplasma Bovis and Theileria. These two diseases of concern were identified through this import risk analysis process. How are we going to mitigate? We requested New Zealand if they can provide assurance that those cattle that they will be exporting are free from these. They were not able to do that. They said they cannot do that because of the ongoing surveillance, monitoring and eradication processes.

We went ahead since there were a lot of requests coming in. We understand that there is a genuine need for us to support the industry. In 2022, there was a mission from Ministry of Agriculture and Biosecurity. We visited New Zealand. We sent officials to negotiate with them if they are able to identify farms that are free from these diseases. Unfortunately, this was not possible because they were not able to. However, they reassured us that New Zealand is working towards trying to eradicate this and trying to control this, and they will have some areas that might be free from this and they should be able to certify moving towards 2028.

Hopefully by 2027, 2028, they will be able to provide us with the level of assurance that the cattle that we would like to import are free from this disease. We do not want to import and then introduce the disease to our environment. We do not want to risk this because they are not able to certify that whatever they will be exporting will be free from this. This is the reason why there was a delay in getting these cattle into Fiji. We regularly have been meetings with the ministry and with our colleagues from FCDCL. Last month, we provided an update and to ensure that they are ready to receive since 2027 and 2028 are not far.

Our question is whether Fiji is ready to receive. We do not want to bring cattle and expose it to the current environment. They need to be provided with the environment that is somewhat like where they are coming from, New Zealand or Australia. Only then, will we be able to maintain the milk production and the breed et cetera.

HON. I.S. KURIDRANI.- The Ministry of Agriculture currently doing artificial insemination process for beef. Have you explored that for the dairy?

MR. S. PRATAP.- With regards to that, there are options apart from importation of live cattle, where embryo transfer and artificial insemination of semen are two plausible options. Embryo transfer and artificial insemination of the semen are viable options for Fiji since the risk is low from the BAF perspectives.

MR. CHAIRMAN.- Are you waiting for the farmers or the Ministry of Agriculture to put up a proposal to introduce that? What is the way forward now….

MR. S. PRATAP.- This is ongoing. The Ministry is importing and they have asked us to look at Australia. We have provided them with details from where they can get the suitable semen from Australia and they are in the process of that. This discussion is going on too.

HON. I.S. KURIDRANI.- Artificial insemination for dairy?

MR. S. PRATAP.- This is possible for dairy as well, the only issue is from the farmers from their perspective, they want it done overnight. If you do the artificial insemination, it means you have to wait for up to nine months for the calf to be born, and it will give milk after some time. This is long process but is safer at this stage. On the other hand, the farmers are going for the live cattle, and they want to bring the pregnant cows here, give birth and start milking.

MR. CHAIRMAN.- Do you look for land for grazing for the government to get the ready breed ones so farmers can come across just like Yaqara where they buy from breeders? Do you have a similar plan?

MR. V. CHAND.- Mr. Chairman, at the moment looking for a biosecurity or quarantine farm. We had initially identified the land that was previously on Grace Road, the dairy farm in Navua. However, we had approached them after our meeting with the BAF last month. However, our request was declined because that farm, FNU, wants to use it for themselves. We are still trying to identify our farm where if we are going to import the cattle, we should be ready to place it somewhere and from there, then we should be able to distribute it.

MR. CHAIRMAN.- Western Division and Northern Division, or on the graze side of Fiji?

MR. V. CHAND.- We are trying to trying to identify possible land because we need a big piece of land for that. The other thing, Chairman, through you, in terms of AI and embryo transfer, I think there were some trials done. The farmers are reluctant to have AI and embryo transfer done because in Fiji, we lack the technical expertise to do that.

I have just joined FCDCL in June, so three months with them and what I have gathered from them is that they do not have that confidence in them to do those things because they are of the view that we do not have the technical expertise locally to do that. That is something that we would ask the Ministry if they can have trained technical expertise, who can go around doing embryo transfer and artificial insemination, and the follow-up after that. That is a gap that we have identified with the farmers.

The other one is the ministry also for semen, they imported two nitrogen machines. At the moment both the machines are out of service. These are the logistics that we need to have in order to do the semen AI and the embryo transfer. At the moment, we are lacking the technical aspects and the logistics to do AI and embryo transforms.

MR. CHAIRMAN.- Thank you. It is good to hear from you. We want to work with you and put up a recommendations to government, since we have seen that there has been a decrease in the dairy farms. How can we solve that? What is the way forward for us? Your input will help us to put up our recommendations to Government in the last sitting. This is why you are invited here today; we are not here today just to question you; we want to hear from you so we can put together a recommendation.

MR. V. CHAND.- Mr. Chairman, I think we need that support from you and the Committee so that it is easier to get things done. BAF has also opened a pathway with Australia, about three to four suppliers, who can supply us semen for AI. It is not just New Zealand now, we can also import from Australia. It is just the technical expertise and logistics that we need to get these things done. This will cost a lot of money and if it is done through the Ministry, it would be economical for the farmers because the farmers alone would not be able to pay for those services to get those things done.

HON. S. KUMAR.- I just want to put a comment to this ongoing discussion as to why the artificial insemination and embryo transfer is not preferred by farmers over life importation of cattle. We have to look at the size of our cattle, especially the heifers who will receive the embryo and the semen implantation. We have a very small breed of our heifers or milking cows and their structure is not made to develop those high quality and big size embryo inside them because when it comes to delivery, most of our farmers have lost their cattle since they could not deliver such a big baby calf. In embryo transfer and semen, we do not know the actual size of that breed. The farmers are unaware.

It is just the semen that is being brought, and heifers are injected, so we do not know what the size of the calf will be, similar to the technical expertise that was alluded to by the CEO.

When it comes to birthing, most of our milking cows, die because they cannot do normal delivery. There is no other expertise where they can have a C-section done so that is why farmers do not prefer all these artificial and unseen things. They would rather want to invest into something which they can see and know what they are buying. They are able to experience the amount of milk the cow is giving. This is why the live animal is more preferred by farmers. Additionally, in terms of the waiting period, it is easier, and it does not take that much time. If we get the embryo transfer done, it takes another nine months for that to develop and then birth. Then between three to five years, the farmers will see a return much sooner rather than later.

Another issue is the lack of knowledge around whether the heifer would survive the newborn calf. If we lose the heifer, then the entire effort is wasted, and the farmers lose. All efforts go to waste. We are trying to work with BAF to explore other countries which have similar environmental nature as ours so that cattle can easily adapt to the climatic conditions of Fiji. If New Zealand is taking long due to disease, then maybe Australia or other neighbouring countries where they may have good breeds of cattle, that can be brought to Fiji.

MR. CHAIRMAN.- BAF do you have comments on this?

MR. S. PRATAP.- , Mr. Chairman, yes, we are open to that. If there is a request coming from ministry or from a farmer that they want to bring from particular country, a particular breed or supplier, then we will carry out risk analysis based on that information and provide them with feedbacks whether it is possible or not. We are open to that discussion.

MR. CHAIRMAN.- Is there any fund provided for farmers from the Government or from the grant?

MR. V. CHAND.- Not in this budget, but because the farms, New Zealand farms will be open for export to Fiji in 2027, so we will be putting for cattle importation a budget in the next budget.

MR. CHAIRMAN.- Okay, thank you. We will put that one into our recommendation to assist farmers.

MR. V. CHAND.- I just wanted to also inform the Committee, apart from these issues, another very important issue is discourages dairy farmers is theft. There are a lot of thefts going around which discourages farmers into opting away from dairy to other crops which is not easily stolen.

Another problem which is by now a national problem, we just had a meeting with consultants from agriculture yesterday is the problem of wild dogs. There are a lot of farmers and other livestock farmers, we have got, you know, complaints from them. Uncontrollable dog, wild dog operation, which kills the cows, heifers, any big cattle, which is a major concern for the farmers. Since we cannot do dog poisoning and baiting, the population of wild dogs has exploded, not just in urban areas, but also in the rural farming areas where it has a major impact on farmers livestock.

HON. V. NATH.- Good to hear from you and very comprehensive answers you are giving. How successful is your AI? And secondly, in 2022, the Ministry bought number of cows, I think 200. What happened to those cows? How successful was that pilot programme?

MR. V. CHAND.- I will ask my farm services manager to answer it because at that time he was there with FCDCL.

HON. V. NATH.- Mr. Chairman, just for information here, in 2022, I think more than 200 cows were brought to before that, it was brough to Fiji as a pilot project.

MR. CHAIRMAN.- From New Zealand?

HON. M. RAIKOSO.- The first question is how successful was AI. AI has been proven to be very successful, but, in order for AI to be more successful, we need farmers to cooperate. Unfortunately, it did not worked out that way. Most farmers have formed the idea that through AI, brucellosis, was a result of AI, which was wrong altogether. There are some farmers that still practice AI, however, the majority of the other farmers, prefer natural breeding.

On natural breeding, as the honourable Member had mentioned that the sizes of the heifers have reduced. We introduced AI to replace the breeding bulls because breeding bulls have gone into another pattern of inbreeding with the first female, the second one, then drops, the third one and the fourth one. As a result, the size reduces. The 200 cattle that came in were distributed and most of them are no longer alive. Some I think were hybrids, some were sold, and the other cattle just disappeared.

MR. V. CHAND.- Just to add on that, I think after 2012, when the cattle that were bought, we had the outbreak of TB so most of the cattle were lost to TB.

HON. S. KUMAR.- and brucellosis.

MR. V. CHAND.- yes brucellosis. Thank you.

HON. J.N. NAND.- *Vinaka*, Chairman, the underpinning issue when we went for a site visit in Viria, the farmers were a bit agitated in regards to cattle movement. We understand the regulatory framework. The farmers cannot get decent cattle from one farm to the other. We fully understand and are aware that this is how it works, however, how can biosecurity assist?

MR. S. PRATAP.- With regards to the cattle movement, at the moment, there is a technical programme in place undertaken by Ministry of Agriculture, where they are trying to eradicate brucellosis and TB. To assist them in facilitating this, biosecurity provides through regulatory bids. What this means is that when Ministry of Agriculture is testing for brucellosis and tuberculosis and the positive ones are being taken to Fiji Meat Industry Board (FMIB) or slaughtered so that we just have disease-free herds.

When there is a test done in one farm and that farm is free and then we are moving cattle from non-free farm to a free farm, then we are reinfesting it and this is the reason where we have an emergency declaration put in place. Currently, that emergency declaration restricts the movement of cattle. We can move cattle, but you need to obtain approval.

If the farmers want to move cattle from one farm to another, they will have to apply for a movement request. The Ministry of Agriculture will conduct an assessment since they have the record of the tests conducted. If there had been three tests done and it is clear, they will provide that information to us, and we will facilitate those movements. However, if the three clear tests are not conducted, then we might not approve, which means we are not sure whether the cattle we are moving is free from TB and brucellosis and that means the whole programme will be affected. This is the reason why we have the restrictions.

However, if someone is trying to move cattle from farm to an abattoir, then that requirement is not applicable, but still, they need to apply through cattle movement. Those are the requirements under the emergency declaration that we are trying to regulate in terms of movement of cattle. It is not strictly prohibiting movement, however, if it is free, the three clear tests have been done and it is all negative, then we can move those cattle from one farm to another.

MR. CHAIRMAN.- This is my last question. What are the transfer vessels of this disease? I mean like TB. Is it only from cow to cow?

MR. V. CHAND.- It can be transferred from cattle to cattle and it can be transferred from the cattle to human and human to cattle.

MR. CHAIRMAN.- Fiji is a small island country. If you transfer diseased live cattle from New Zealand into Fiji, then it will be a big concern for us because once it spreads today, it will cover the whole of Fiji. This is our concern. How can we tackle that and fasten this process? Farmers are now suffering, and the industry is collapsing. It is already happening here in the central division. How can we tackle this fast because our famers are suffering and the industry is now collapsing, how can we solve this thing? We want to put a good recommendation to Parliament. I know there are regulations to be followed however, if we need to bring about change, we can do so with the regulations. It just depends on how we get the information we receive from you.

MR. S. PRATAP.- There is a Bee-tech Committee meeting with the Ministry of Agriculture, FCDCL and Biosecurity where we can review the requirements. This will be done to ensure that the current eradication program is not affected. We do not want, because there is a lot of money injected by Government into this eradication programme. To have the success of this eradication, we were just discussing yesterday with the Director and the honourable Minister was also there, there has been some reduction in the TB and brucellosis cases, based on their report. This is more like a success story, moving towards success, and we really do not want any movement that might affect the current operation of the BTEC team.

MR. CHAIRMAN.- Most of the time we hear that the Ministry of Agriculture is not doing their job. Now we know there is a red tape in between. In regard to the environment, we visited Lomaivuna already, there was an established chicken farm. A farmer wanted to construct a new one and again, they wanted a new EIA. However, I said it just needs improvement, the farmers do not need to go through that since they have suffered. This is why we invited you today to hear from you. How can we fast-track this and assist? At the end of the day, farmers are suffering, and the industry is suffering.

MR. M. RAIKOSO.- On the outbreak of TB, farmers are the beneficiaries and farmers are also the barriers to have a successful TB eradication programme. They are the ones in the middle. When I say that they are the barriers, if they had been following the instructions over the years, we would have not come to this. You have heard from the CEO Biosecurity, during all tests, animals have got to be produced so that testing and identification can be done. However, what mostly happens, the first-time testing comes in, they bring all the animals, but for verification, they never bring the animals. As a result, your farm will not be marked as clear.

The simple rule of having fence done, they ignore all this. The fence is there to stop the invading bulls, crossing over from one side to the other, or the moving of cows. We always talk about the ministry and other institutions creating restrictions, but it is about time that we start talking to our farmers, we need a lot of consultations, and we tell them the results that will follow, if they do not follow instructions.

We have heard properly from Bee-tech are doing this to protect Fiji. However, if one party who is also in the programme, sitting on the fence and blaming us or blaming that we want to buy cattle, but they want us to get some certificate for movement of cattle, the movement of cattle is always there, provided you move your cattle from one clean farm to another clean farm. However, what they are trying to do is to bring clean cattle into a farm that is not clean and that is where legislation comes in. I would just like to raise this so that we know there is this third party also involved.

In regard to the transportation of cattle. In between the transportation, if it comes from Rakiraki to the Abattoir, there are a lot of interchanging of cattle. This is what they do. It is always good that the other party who is always in this are those who transport cattle. They are moving cattle where proper checks are not done. These are some of the things when you discuss with farmers, they just tell you, we want to move cattle. They can give us the cattle, but the trouble is they are just not following instructions.

HON. V. NATH.- Not all farmers take assistance from the daily cooperative farms and do not buy all the supplementary because some farmers got feeds especially, those who have got bigger farms. Have you ever thought of increasing the price of the milk? I am saying this because at this point in time, the price of fuel has gone up. All other industries were assisted except the dairy farmers, the price of milk.

MR. V. CHAND.- Our price is determined, like we have just one buyer in the Government makes here. Just recently in June, early July there was an increase in milk price that is given by every year to farmers. The processes have increased, but not what we would ideally want. We are liaising with FCCC if the milk price can be determined by an independent authority, which would be fair to the farmer and that is in progress. They are requesting a lot of information from us and from the processor. The last increase we got was in July. At the moment, we are getting $1.21. That is what FCDCL will get and we deduct our administration charges.

MR. CHAIRMAN.- Honourable Members, if there are no other questions to our guests this morning, I think that brings us to the end of our session. Once again, we want to thank you for coming and sharing your roles and experiences in the field of agriculture and dairy farmers. Our meeting is adjourned.

The Committee adjourned at 11.54 a.m.

[VERBATIM REPORT]

STANDING COMMITTEE ON NATURAL RESOURCES

MINISTRY OF AGRICULTURE ANNUAL REPORT 2022 - 2023

ENTITY: Ministry of Environment & Fiji Development Bank
VENUE: Small Committee Room (SCR)
DATE: Thursday 24th September 2026

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD AT THE SMALL COMMITTEE ROOM 2, PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON 24 SEPTEMBER 2026 AT 10.53 A.M.

Present:

Hon. K.V. Ravu	-	Chairperson
Hon. I.S. Kuridrani	-	Deputy Chairperson
Hon. S. Kumar	-	Member
Hon. V. Nath	-	Member
Hon. J.N Nand-	-	Member

Apologies:

Hon. T. R/ Matasawalevu	-	Member

Interviewee/Submittee: Ministry of Environment

In Attendance:

1.	Mr. Sivendra Michael	-	Permanent Secretary
2.	Ms. Mere Karailevuka	-	Principal Environment Officer, EIA

Interviewee/Submittee: Fiji Development Bank

1.	Mr. Bimal Sudhakar	-	Acting Chief Executive Officer
2.	Ms. Fulori Tuyasawa	-	Manager Product and Policy
3.	Mr. Kamera Chand	-	Manager Acting Chief Relationship Sales
4.	Mr. Kinijoji Bakoso	-	Manager Marketing and Communications

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MR. CHAIRMAN.- Honourable Members and invited guests, I now call this meeting to order.

Before we proceed, on behalf of the Parliamentary Subcommittee, I would like to warmly welcome you and thank you for accepting our invitation to participate in this morning's meeting. Please note that this is a closed-door meeting and is not open to the public.

The purpose of today's discussion is to address two key issues raised by farmers. We hope to engage in a constructive dialogue, identify common findings and recommendations, and ensure that your views and contributions are reflected in our report for presentation at the next sitting of Parliament.

For housekeeping purposes, please ensure that mobile phones are set to silent mode. Should you need to answer a call, kindly use the door on the left.

Once again, we thank you for joining us to discuss matters arising from the Ministry of Agriculture Annual Report 2022–2023. The floor is now open for questions. We will begin with the Fiji Development Bank (FDB). Honourable Members, if you have any questions, you may proceed.

I will start with a question concerning the Ministry of Agriculture Annual Report 2022–2023.

The Fiji Development Bank was established to promote Fiji's economic and social development through the provision of development finance. However, concerns have been raised regarding whether the Bank's current lending policies and investment priorities remain aligned with its original development mandate, particularly in relation to the agriculture sector.

This issue has been raised by a number of farmers, including sugarcane growers. Many have indicated that they find it easier to access financing through the Sugar Cane Growers Fund rather than through FDB, citing lending criteria, security requirements, approval processes, and interest rates as significant barriers.

Agricultural farmers have also expressed concerns about the difficulty of meeting FDB's lending requirements and accessing finance.

With regard to agricultural lending policies:

- Has the Bank made any significant changes to its agricultural lending policies, eligibility requirements, security provisions, or approval processes over the past five years?
- If so, what were the reasons for these changes, and how have they affected farmers' access to finance?
- Could you please provide a brief overview of these matters?

MR. B. SUDHAKAR.- Mr. Chairman, through you, I am responding in my capacity as Acting Chief Executive Officer and on behalf of our CEO, Filimoni Waqabaca.

Earlier this year, we undertook a peer-learning visit with the National Bank for Agriculture and Rural Development (NABARD) in India to better understand the management of agricultural lending portfolios. While NABARD oversees a significantly larger portfolio, reflecting the scale of India's population and economy, there were valuable lessons that we were able to draw from the experience.

One of the key issues identified relates to the sugarcane sector. As highlighted, repayments secured through sugarcane assignments are prioritised in favour of the Sugar Cane Growers Council, with FDB holding a secondary position. This arrangement has existed for many years.

As a result, when farmers borrow from both FDB and the Sugar Cane Growers Council, the Council receives repayment priority under the assignment arrangement. This makes it easier for them to meet their lending criteria and release funds.

In contrast, FDB takes a secondary charge over the assignment, which increases our lending risk and limits the amount we can prudently advance to borrowers.

Currently, FDB maintains a sugarcane lending portfolio of approximately $30 million, supporting around 1,200 farmers. We are exploring opportunities to expand and strengthen this portfolio.

Considering the Government's focus on supporting the sugar industry, and given that FDB now operates under the regulation of the Reserve Bank of Fiji, we must ensure that our lending remains financially sustainable.

Through our engagement with NABARD, we are reviewing our approach to sugar industry financing, including the structure of interest rates and the development of lending packages that support diversification opportunities for farmers. While sugarcane production will remain the core focus for many growers, we are also exploring pilot initiatives that would enable farmers to invest in alternative and complementary cash crops.

Regarding interest rates and loan pricing, we have undertaken a review of our lending portfolio. While customers often raise concerns about borrowing costs, FDB's cost of funds remains a significant challenge. As we have previously highlighted before various Standing Committees, our cost of funds is approximately four percent, which directly affects our lending operations.

During the national budget consultations, we proposed measures through the Ministry of Finance that would assist in reducing this cost and enable us to provide more competitive lending rates.

Another challenge is that competition has expanded beyond traditional financial institutions. Government ministries also provide direct assistance to farmers through grant programmes. For example, the Ministry of Agriculture offers grants directly to farmers, which influences demand for development financing.

One of the key lessons we learned from NABARD is that it acts as a financial intermediary for the Government, supporting both the central bank and Government agencies in administering and regulating development finance programmes. This model allows governments to utilise established financial institutions to effectively disburse funds.

For example, local councils and government agencies channel funding through financial institutions, allowing banks to manage distribution because they have a better understanding of lending cycles and credit management. In Fiji, we have observed competition not only from the Sugar Cane Growers Council within the sugar sector, but also from the Ministry of Agriculture, which administers programmes that provide direct assistance to farmers.

From FDB's perspective, we have been financing the sugarcane industry for the past 56 years. We understand that many of our customers return year after year for financing. From a risk management standpoint, the data and reporting we provide to the Reserve Bank demonstrate that many of these customers remain viable borrowers for extended periods, often five to ten years or longer.

In terms of lending behaviour and pricing, FDB lending is subsidised by the Government. Approximately $4 million of our annual interest income is subsidised, and sugarcane loans are among those that benefit from this support. However, under current financial institution disclosure requirements, we are unable to explicitly state the subsidy component in loan documentation, as subsidy arrangements remain a policy decision of Government and may change over time.

For example, where a loan carries an interest rate of seven percent and receives a four percent Government subsidy, the customer effectively pays only three percent. While this is reflected in the customer's repayment calculations, we have not historically disclosed the subsidy separately in the loan offer documentation.

Following recent public discussions regarding agricultural loan interest rates, we have initiated a review with our in-house legal team to determine how these subsidies can be communicated more transparently, with the support of both the Ministry of Finance and the Reserve Bank of Fiji (RBF).

Our intention is to clearly explain to customers that while the quoted loan rate may be, for example, nine percent, the Government subsidy of four percent reduces their effective interest rate to five percent. Their repayments are calculated based on this subsidised rate, not the full quoted rate.

We recognise that this lack of understanding has contributed to a disconnect between the agricultural sector and FDB. Nevertheless, FDB remains committed to supporting agriculture.

Currently, approximately 20 percent of our lending portfolio is directed towards agriculture. Historically, around 2021–2022, the Bank's portfolio was concentrated at an 80:20 ratio, with the majority allocated to larger commercial lending.

When I joined FDB as General Manager Risk, we began rebalancing the portfolio to better align with the Bank's development mandate. While it is important for a development bank to maintain exposure to large corporate clients, as they provide portfolio stability, we also recognised the need to strengthen support for agriculture and small businesses.

Previously, around 80 percent of lending was directed towards large business clients, with only 20 percent allocated across agriculture and commercial lending. We have since restructured the portfolio to a 60:20:20 distribution.

Under this approach:

- 60 percent supports larger businesses, including manufacturing and retail sectors;
- 20 percent is allocated to agriculture, covering large-scale farming, smallholder farming, and microfinance; and
- 20 percent supports small and medium-sized enterprises (SMEs).

This is the position of the Bank at present.

HON. J.N. NATH.- I hope these programmes are implemented successfully, particularly those that will improve farmers' access to finance and make it easier for them to do business with FDB.

HON. V. NATH.- Mr. Chairman, through you, I hope the decision to remove the application fee was not politically motivated. Will the Bank also be refunding customers who were previously charged those fees?

MR. B. SUDHAKAR.- Mr. Chairman, through you, as a matter of practice, when a policy or process is changed, it generally takes effect from the date of approval onward. Any fees previously charged were applied in accordance with FDB's approved policies and procedures that were in force at the time. The change was introduced following our transition under the regulatory oversight of the

Reserve Bank, which reviewed and aligned various fees and charges across the sector. The directive was that certain fees should no longer be charged, and the revised policy became effective from that date.

From FDB's perspective, the decision was not driven by any political consideration. Rather, it was based on compliance and customer access concerns. The Reserve Bank viewed upfront application fees as a potential barrier to accessing finance. Their position was that any individual should be able to submit a loan application without first being required to make a payment.

There was also concern about public perception. Requiring customers to pay a fee before their application could be processed created a negative impression and, in some cases, led to misconceptions about the purpose of the payment. The Reserve Bank considered this inconsistent with principles of fair and transparent access to financial services.

As a result, FDB was advised to discontinue upfront application fees and instead recover administrative costs only after an application has been approved. This approach aligns with standard banking practice and ensures customers are not charged simply for lodging an application. I hope that addresses your question.

HON. V. NATH.- I note from your 2024 Annual Report that the Bank recorded a profit of approximately $5.6 million against lending of $91.26 million. What is the Bank's average interest rate?

MR. B. SUDHAKAR.- Our average lending rate has been significantly affected by changes in the funding environment, particularly following the COVID-19 pandemic.
In 2021, FDB lost approximately $150 million of its lending portfolio to commercial banks, largely because our own cost of funds increased. The cost of funds refers to the rate at which we borrow money in order to lend to customers.

At present, the Fiji National Provident Fund (FNPF) remains our primary source of wholesale funding and borrowing costs from such sources are currently around 4.5 percent. Taking into account all lending activities, our average lending rate is approximately 6.5 percent. At that level, the Bank is able to maintain its financial sustainability and profitability.

It is important to note that this average rate also reflects Government subsidies provided for certain agricultural and microfinance lending programmes. Once our funding costs are deducted, the Bank's lending margin is approximately two percent.

HON. I. KURIDRANI.- Mr. Chairman, I would first like to acknowledge and thank FDB for its contribution to agricultural development. Having reviewed the summary provided, I am encouraged by the Bank's ongoing support for the sector.

I also take note of your comments regarding Government assistance programmes in agriculture. There is some truth in the observation that assistance is occasionally directed towards businesses that are already established and may have access to commercial financing, whereas greater attention should be given to underprivileged and emerging farmers. I intend to look into this matter further when I return to the Ministry.

My question relates to the development of the beef and dairy sectors. In the past, FDB accepted a Notification of Lease as security for loans. Is this still an acceptable form of security?

MR. B. SUDHAKAR.- We will be candid in our response, particularly given the Committee's ability to recommend policy changes. One of the challenges we have faced in recent years is that FDB has been one of the very few financial institutions willing to accept a Notification of Lease or an Agreement for Lease as security for lending.

Unfortunately, this has resulted in a build-up of security assets that are difficult to realise or dispose of when loans become distressed. Consequently, the Bank has accumulated a portfolio of securities that are effectively unsaleable, creating both operational and financial challenges for the institution.

HON. I. KURIDRANI.- Does that mean the Bank does not accept them anymore?

MR. B SUDHAKAR.- We are still accepting Notifications of Lease as security. However, we are now pursuing a more collaborative approach through a Memorandum of Understanding (MOU) with the *iTaukei Land Trust Board (iTLTB)* and the *Ministry of Lands*. The objective is to assist customers in transitioning from Notifications of Lease to fully surveyed and registered leases. Where appropriate, FDB may assist in financing survey costs and related processes to facilitate the issuance of formal leases.

While a Notification of Lease enables a farmer to access land and commence farming operations, it does not provide the same level of security as a registered lease. The challenge arises when lease obligations are not met, or when the land is reclaimed upon expiry. In such situations, the Bank's security interest may be compromised, increasing the risk of losses. Where Notifications of Lease can be converted into formal leases, FDB is able to continue lending with greater confidence and provide more sustainable long-term financing support. This issue has also been identified as a regulatory concern by the Reserve Bank due to the risks associated with lending against less-secure forms of tenure.

To address this, we recently signed an updated MOU with iTLTB. Under this arrangement, we have requested that iTLTB consult FDB before taking action that may affect a borrower's lease where the Bank has a financial interest. For example, if lease arrears accumulate to a significant amount, we would prefer to work directly with the farmer to explore options such as financing the arrears through manageable repayment terms.

This would help preserve the lease, support the farmer's continued operation, and ultimately facilitate the transition to a properly surveyed and registered lease. So, while we continue to accept Notifications of Lease, we are also working to strengthen the security framework around them and reduce the associated risks for both the farmer and the Bank.

HON. S. KUMAR. - Mr. Chairman, through you, the concerns being raised are based not only on what we hear from farmers but also on our own experiences as farmers and customers of FDB. This is not the first time FDB has appeared before the Committee. While personnel may have changed over the years, many of the challenges and concerns raised by customers remain the same.
When farmers engage with FDB, there is often a high level of frustration relating to several key issues:

1. Lengthy loan processing times, which can extend to one month or more, particularly when compared with commercial banks.
2. Repeated requests for documents, where customers are asked to submit the same information multiple times throughout the application process.
3. Additional information requirements, even where the Bank already holds adequate security and the customer is only seeking a small loan or top-up facility.

4. Customer service and relationship management concerns, including situations where customers provide documents only to be asked for the same documents again weeks later.

These experiences create frustration among farmers and discourage them from dealing with FDB. Many customers turn to other banks because they can obtain financing more quickly, even if the interest rate is slightly higher.

By the time FDB completes its assessment and approval process, many customers have already secured funding elsewhere and no longer require assistance from the Bank.
Given these ongoing concerns, what measures are being implemented to improve service delivery, reduce delays, and provide a better experience for farmers and customers?

MR. B SUDHAKAR.- Mr. Chairman, through you, we acknowledge and accept that feedback. Present today are FDB's Manager for Product and Policy, Manager for Marketing and Communications, and Acting Chief Relationship and Sales Officer, all of whom may wish to add to this discussion. I currently serve as FDB's first Chief Operating Officer. Prior to June 2025, the Bank did not have a dedicated Chief Operating Officer, with operational responsibilities largely managed through the Chief Financial Officer's office.

The purpose of establishing this role was to improve operational efficiency across the organisation. My responsibilities include oversight of products and policy, information technology, marketing, and business operations, with a particular focus on improving customer service and organisational performance.

We acknowledge that some branch processes have historically taken longer than they should. To address this, and as part of our enhanced risk-based approach, the Board recently approved increased lending authority at branch level. Branch officers and branch managers are now able to approve loans of up to $100,000, reducing the need for applications to be referred to Head Office for routine approval. This should significantly reduce processing times and administrative delays.

With regard to staffing, we recognise that resource constraints remain a challenge throughout the country. In response, we have re-engaged a number of experienced staff to support operations in the short term. At the same time, our Human Resources and People & Culture teams are investing heavily in workforce development. We currently have approximately 25 university graduates and trainees undergoing training as future banking professionals, which will strengthen capacity and improve service delivery over time.

In relation to document management and turnaround times, our Product and Policy team is actively exploring greater automation of processes. While implementation is influenced by cost and other operational considerations, this remains a key priority.

Our Strategic Plan now establishes clear responsibilities and performance expectations for each business unit, with oversight provided through the Office of the Chief Operating Officer to ensure accountability and delivery of results. I will also invite my colleagues to provide additional comments.

MR. R. CHAND. - Mr. Chairman, through you, I would like to add to the discussion. I acknowledge that there have been instances where customers have been required to submit documents more than once. While these situations do occur, they should not be viewed as representative of the Bank's overall operations.

In many cases, service quality can vary depending on the circumstances of a particular branch or individual staff member. However, our objective is always to provide the best possible service to customers, and where concerns are raised, we work actively to address them. I personally receive customer enquiries almost daily regarding similar issues, and we make every effort to resolve them promptly.

There are also occasions where a customer genuinely believes the correct documents have been submitted, only for subsequent reviews by our legal or assessment teams to determine that certain requirements remain outstanding. This can result in additional requests for information, which may understandably be frustrating for customers.

One of the key lessons we have identified is the importance of setting clear expectations from the outset. When a customer applies for a loan, they should be informed from day one about the expected processing timeframe, whether that is several days, two weeks, or longer. Where those expectations are not clearly communicated, customers may become frustrated if the process takes longer than anticipated.

For this reason, we have been reinforcing with staff the importance of clearly explaining all loan requirements and conditions to customers. When an offer letter is issued, staff are expected to walk customers through the document in full, ensuring they understand:

- What requirements must be met by the customer;
- What obligations rest with the Bank; and
- What steps remain before the loan can be processed and disbursed.

We believe that clearer communication and better management of customer expectations will go a long way towards improving customer satisfaction and strengthening relationships with our clients.

Only once all requirements have been met are we able to proceed with the loan disbursement. It is therefore important that customers are clearly informed from the outset about the process, the documentation required, and the expected timeframe for approval and payment. These are some of the improvements we are currently implementing. While we acknowledge that there have been cases where customers have experienced delays and frustration, we remain committed to resolving issues as they arise and improving the overall customer experience.

HON. S. KUMAR.- Mr. Chairman, through you, thank you for the explanation. However, similar concerns have been raised consistently over a number of years. Since 2023, through the Economic Affairs Committee and other consultations, we have received repeated submissions and complaints regarding FDB's service delivery.

We have visited numerous businesses and communities where these concerns have been raised. Now, in 2026, we continue to hear many of the same issues, particularly from farmers, who are among the primary beneficiaries the Bank was established to support.

The recurring nature of these complaints raises concerns about the Bank's overall operational efficiency, both at branch level and within Head Office. These concerns are not based solely on feedback from farmers. Many of us have personally experienced similar challenges in our dealings with the Bank. Because of this, when farmers raise such issues, we view them as genuine and reflective of broader operational problems.

My question is straightforward: when can customers realistically expect to see the efficiency improvements that the Bank continues to speak about?

MR. B. SUDHAKAR. - Mr. Chairman, through you, we fully appreciate the importance of customer expectations and customer satisfaction. Our Marketing and Communications Manager also serves as the Bank's customer advocate and is actively taking note of the concerns being raised today. We recognise that many customers still view FDB as a Government-owned institution that should be able to provide loans in the same way it may have done in previous years. However, the operating environment has changed significantly.

Today, FDB is subject to stricter regulatory requirements under the Reserve Bank of Fiji. We are required to comply with numerous banking standards, prudential requirements, and BSP policy frameworks, all of which impose obligations that did not previously exist. While these requirements are necessary, they do create operational limitations and additional processes that must be followed.

That said, we want to assure the Committee that we have taken the feedback seriously. Improving timeliness and reducing turnaround times remain key priorities for the Bank. To support this, FDB has invested approximately $4 million in a new core banking system similar to those utilised by commercial banks. We are currently in the implementation phase and expect the system to significantly improve processing efficiency and service delivery. We are also reviewing and simplifying our product offerings.

At present, FDB offers approximately 48 different lending products. We recognise that this can be confusing for customers. Our intention is to streamline these products and make information more accessible through a simplified digital platform and website interface, allowing customers to easily identify and apply for the products most relevant to their needs.
In addition, we have sought assistance from the Asian Development Bank (ADB) to review our internal processes and benchmark them against current market practices. This review will help us modernise and improve the way we operate.

The Bank's Strategic Plan now includes clearly defined responsibilities for each executive and business unit. Specific performance milestones have been established and are monitored by the Board to ensure accountability and delivery.

We acknowledge the concerns raised and accept the feedback. However, we must also recognise the operational constraints under which a development bank functions.

One of the major challenges is cost. During previous Committee reviews, concerns were raised regarding the Bank's staffing expenses. From an operational perspective, there are branches that operate at a financial loss. For example, branches in locations such as Seaqaqa, Taveuni, and Rakiraki generate limited revenue. If FDB were operating solely as a commercial institution, there would be strong financial arguments for closing some of these branches.

However, because of our development mandate, we continue to maintain services in these locations. To meet regulatory and compliance requirements, each branch must maintain a minimum staffing complement, regardless of profitability. This differs significantly from commercial banks, which are able to concentrate their operations in profitable areas. Our objective is not simply profit generation; it is developmental impact.

One of the lessons we drew from our engagement with NABARD was the importance of measuring impact rather than focusing solely on profitability. Moving forward, we intend to place greater emphasis on reporting and evaluating the developmental outcomes of our lending activities.

There is also a broader perception issue. Many customers believe that if they are declined by a commercial bank such as ANZ, HFC, or another institution, FDB should automatically provide financing because it is perceived as the Government's bank. However, FDB now operates under an independent governance framework. Lending decisions must follow proper banking processes and risk assessments.

While recommendations and referrals may still be received, all applications are assessed independently in accordance with established credit procedures. Decisions are no longer made based on external instructions, but through standard evaluation processes that ensure fairness, consistency, and regulatory compliance. These are some of the changes currently taking place within the Bank.

MR. CHAIRMAN. - Just a question on that. Earlier, you mentioned the Bank's portfolio allocation framework of 60-20-20, including the portion directed towards agriculture and small-scale farming. Many of the concerns being raised today come directly from those groups. Has FDB specifically considered the performance and challenges reflected in agricultural reports relating to export commodities?

We have seen industries such as yaqona, dalo and other agricultural commodities facing significant challenges. At one point, agriculture was among the leading contributors to Fiji's GDP, but its contribution has declined considerably over time. The purpose of today's meeting is to gather information, identify common concerns, and formulate recommendations that can help address these issues.

That is why representatives from different agencies have been invited. Farmers frequently raise concerns not only about agriculture but also about environmental approvals, access to finance, and barriers to expansion. In many cases, farmers are ready to invest and grow their operations, but encounter obstacles from various parts of the system.

Our objective is to understand these issues collectively and determine what practical solutions can be recommended to support the sustainable growth of the agricultural sector and ensure that it operates more effectively in the future.

MR. B. SUDHAKAR.- Mr. Chairman, through you, I will invite our Manager Product and Policy to elaborate on the agricultural value chain programmes we are developing to strengthen support for the sector.

MS. F. TUYASAWA.- Mr. Chairman, through you, from the Product and Policy Department's perspective, we recognise that many farmers face challenges in meeting the documentation and security requirements currently required by FDB.

Based on the feedback we have received, including many of the concerns raised today, farmers often struggle to provide the documentation, collateral, and security needed to access financing. As a result, we have reviewed our lending approach and asked ourselves what practical measures can be taken to make financing more accessible to farmers.

One of the key initiatives we are pursuing is the development of an Agricultural Value Chain Financing model. Under this approach, we identify priority agricultural commodities and work in partnership with the Ministry of Agriculture and industry stakeholders to profile farmers, map supply chains, and identify aggregators and confirmed buyers within each commodity sector.

By linking farmers to established aggregators and buyers, the Bank gains greater confidence that there is a reliable market for the produce. This creates opportunities for us to simplify some lending requirements and reduce reliance on traditional forms of security.

Our objective is to strengthen agricultural lending by identifying viable commodities, establishing market connections, and creating pathways that enable more farmers to access financing and participate in commercial agriculture.

MR. CHAIRMAN.- Does that mean, for security purposes, you would rely less on traditional forms of security such as land leases and titles?

MS. F. TUYASAWA.- Yes. For many smallholder farmers who are unable to provide conventional forms of security, we are exploring alternative approaches.
Where there are strong relationships with established aggregators or guaranteed buyers, those arrangements can help support lending decisions. This allows us to look beyond traditional collateral requirements and consider the strength of the overall value chain when assessing applications.

MR. CHAIRMAN.- So this would apply where farmers have agreements with organisations such as agro-marketing companies or other recognised buyers?

MR. B. SUDHAKAR.- Yes, exactly. For example, within the dairy industry, we are working through the Fiji Co-operative Dairy Company Limited (FCDCL). Where the Cooperative can confirm that a group of farmers consistently supplies milk and receives regular income from milk sales, we can use those milk proceeds as part of our security and credit assessment framework.
In effect, the regular income stream becomes a measure of the farmer's repayment capacity and helps support lending decisions.

MS. F. TUYASAWA.- At present, we are looking to strengthen and expand our Memorandum of Understanding with FCDCL to further support dairy farmers through this approach. Thank you.

HON. V. NATH.- Mr. Chairman, considering Fiji's geography and the large amount of available land, our objective is to see more land being productively cultivated. Yesterday, we heard evidence from the CEO of TLTB, who noted that access to finance remains a major challenge. I believe this is already on the record.

Your 2024 Annual Report states that 15 percent of the Bank's portfolio value, and 17 percent of borrowers by number, were directed toward women and youth. However, when we consider that a significant proportion of Fiji's population consists of young people, these figures appear relatively low.

How do we bring more young people into agriculture and provide them with access to finance? From what I have heard today, much of the model still relies on existing networks, aggregators, and established businesses.

My concern is that many young people may be left behind if they do not already have those connections. We want to see agriculture become a stronger and more dynamic sector, and young people must be part of that growth.

MR. B. SUDHAKAR.- Mr. Chairman, through you, one initiative currently being facilitated through the Reserve Bank of Fiji is an entrepreneurship incubator programme, which brings together individuals with business and entrepreneurial ideas and helps support them through the early stages of development.

HON. V. NATH.- Why has this only started now? Why was this not addressed earlier?

MR. B. SUDHAKAR That is a fair question.

HON. V. NATH.- Please do not misunderstand my comments. I am simply trying to understand how we can solve this issue.

MR. B. SUDHAKAR.- I completely agree, and it is important that we have these discussions because they help us understand the concerns being raised and identify areas where improvement is needed.

HON. V. NATH.- I am not trying to place you under pressure. Unfortunately, I was unable to join the recent visit involving the Development Bank, but I spend a great deal of time on the ground speaking directly with people.

These are the questions I hear regularly. Many people approach me seeking assistance with obtaining finance. In some instances, I have referred people to other financial institutions because they have been able to access support there.

My concern is that FDB's original mandate was to support farmers and agricultural development. However, there is a perception that the Bank has gradually moved away from that mandate. I believe this issue may eventually be raised in Parliament as well. People want to see FDB remain focused on supporting farmers and rural development.

MR. B. SUDHAKAR.- I agree with that observation. In many respects, one of our shortcomings over the years has been that we focused heavily on reporting profitability rather than demonstrating the developmental impact of our lending activities. In fact, only two weeks ago, our leadership team discussed the need to better analyse and communicate the Bank's data and impact.

Our analysis shows that approximately 94 percent of our customer base receives loans between $1,000 and $100,000. The overwhelming majority of our borrowers are small-scale customers operating in agriculture, SMEs, women-owned businesses, and micro-enterprises.
What we are now examining is how we can better support these customers beyond simply providing finance.

To use a practical example, Government may provide a grant for a farmer to purchase a tractor. The farmer receives the tractor, but often there are other needs that remain unmet. There may be limited access to land development, seed, fertiliser, working capital, or ongoing support.
As a result, the investment may not achieve its full potential because only one component of the farming operation has been funded.

HON. V. NATH.- The tractor programme was introduced because Government wanted to encourage outsourcing of agricultural services. The thinking at the time was that farmers and contractors who owned tractors could provide services to others and support agricultural expansion. That is why many people approached FDB for financing. They believed there was land available, demand for tractor services, and opportunities created through Government programmes.

MR. B. SUDHAKAR.- That is exactly the approach we are now trying to build upon. Where Government provides a grant component and the farmer has access to land, we are looking at how FDB can add value beyond simply financing a single asset. For example, we can assist by linking farmers to aggregators, buyers, input suppliers, and support networks. If a cyclone occurs or a farmer experiences production challenges, there should be a mechanism through which they can access seed, inputs, technical assistance, and market opportunities.

In the past, we often focused only on the initial investment and expected a successful outcome. What we are doing now is looking at the entire production cycle and ensuring continuity throughout the farming operation.

This is why we are focusing on agricultural value chain financing and stronger partnerships across the sector. We also recognise the importance of supporting young people and emerging entrepreneurs.

Through our proposed unsecured lending programme, we are looking at providing financing facilities of up to $10,000 for individuals with viable business ideas. Under this model, applicants would not necessarily need to provide traditional forms of security. Instead, the assessment would be based primarily on the strength of their business concept and projected cash flow. The objective is to encourage innovation, entrepreneurship, and greater participation by young people and first-time business owners, including those entering the agricultural sector.

HON. V. NATH.- One practical question. Suppose a young person receives a contract through a Government programme, for example, a drainage or infrastructure project facilitated by the Ministry of Agriculture or another agency. The individual has been awarded the contract but does not own any assets or security.
If that person approaches FDB seeking a loan to purchase a digger or other equipment required to carry out the work, and the only supporting document is the contract itself, would FDB consider providing financing?

MR. B. SUDHAKAR. - Yes, we can assess an application on the basis of an existing contract and the expected cash flow arising from that contract.

HON. V. NATH. - Even if there is no collateral and only the contract agreement is available?

MR. B. SUDHAKAR. - Yes. We have done that previously. In such cases, the contract itself becomes the basis of our assessment and serves as evidence of future cash flow. We can use that projected income stream as part of our credit evaluation and lending decision.

HON. I. KURIDRANI. – Mr. Chairman, I note that representatives from the Ministry of Environment are present today.

Given the discussion around agricultural and rural development, it would be helpful to understand where the Ministry of Environment fits into these processes and how it contributes to facilitating development.

MR. CHAIRMAN. - That is precisely why the Ministry was invited today, so that we can have all relevant agencies around the same table and better understand their respective roles and responsibilities.

MR. S. MICHAEL. - Mr. Chairman, through you, I will explain where the Ministry of Environment becomes involved in the development process. The primary area regulated by the Ministry is the Environmental Impact Assessment (EIA) process.

In the case of traditional sugarcane farming, an EIA is generally not required. Sugarcane farmers do not normally undergo EIA screening or approval processes because their activities are considered part of an established agricultural land use.

The situation changes when there is a proposal to alter or change the use of the land. For example, if agricultural land is proposed to be converted into commercial, residential, industrial, or another form of development, that change in land use may trigger the EIA process. Once a change-in-land-use application is submitted, we assess the nature and scale of the proposed activity to determine the environmental requirements.

Traditionally, sugarcane farming itself does not require an EIA. However, if a landowner proposes to subdivide the land, establish residential lots, or undertake another form of commercial development, an EIA may be required because the original purpose of the land is changing.
In relation to financing and the banking sector, there are generally two points at which environmental approvals interact with lending processes.

The first is where a financial institution requires confirmation that the necessary environmental approvals have been obtained before a loan is approved. Banks often seek assurance that a proposed development can proceed lawfully before committing funding to a project.

The second relates to environmental bonds and guarantees. In some larger developments, proponents may be required to provide an environmental bond as a condition of approval. These bonds are often provided through bank guarantees rather than direct cash payments. In such situations, the bank provides the guarantee, allowing the environmental approval process to proceed.

Therefore, the Ministry's direct interaction with banks generally occurs in only two circumstances:

1. Where a bank requires evidence of environmental approval before providing finance; and
2. Where a bank is required to provide a guarantee in support of an environmental bond associated with a project.

There are also situations where banks may assist customers by financing costs associated with obtaining environmental approvals. This may include EIA application fees, consultancy costs, or other expenses incurred during the assessment process.

We have also observed that some farmers do not fully understand how environmental requirements apply when changing from one form of agricultural activity to another. For example, a farmer who has traditionally grown sugarcane may wish to transition into large-scale commercial dalo farming or another export-oriented commodity.

To establish such an operation, substantial land clearing, earthworks, drainage works, or land preparation may be required. In those circumstances, while a full EIA may not necessarily be required, an environmental screening process is often necessary.

The purpose of the screening is to assess potential impacts and determine whether an Environmental Management Plan or specific environmental conditions should be applied before the activity proceeds. This is not intended to prevent development.

Rather, it is aimed at managing risks and protecting neighbouring communities and environmental resources. For example, large-scale land clearing can result in soil erosion, sediment entering nearby rivers, impacts on water quality, or disruptions to surrounding communities. Through the screening process, we are able to identify practical mitigation measures to reduce these impacts and ensure development is carried out responsibly.

We fully acknowledge that landowners have the right to utilise their land productively. Our role is to ensure that development proceeds in a manner that minimises adverse environmental effects and protects the interests of surrounding communities and natural resources.

MR. CHAIRMAN. - Just a question regarding Environmental Impact Assessments (EIAs). In the past, Government agencies, including departments such as Fisheries, were often able to undertake their own assessments, which was generally less costly. One of the concerns being raised during our consultations relates to the cost of EIAs.

Landowners and farmers have indicated that, in some cases, the cost of obtaining an EIA can be substantial. For example, there are concerns that assessments for relatively small areas of land can cost several thousand dollars, which many farmers simply cannot afford. How do we address this issue?

MR. S. MICHAEL. - Mr. Chairman, through you, the EIA screening fee charged by the Ministry is $250. The cost concerns generally arise from the engagement of private consultants who prepare the EIA reports, rather than the Ministry's screening process itself. There are two main reasons why Government ministries do not prepare EIAs on behalf of applicants:

- First, there would be a conflict of interest if a ministry were both approving a project and conducting the EIA assessment for that same project.

- Second, if a matter were challenged in court, there must be an independent assessment process. For example, if environmental damage resulted in losses to a community and compensation was sought, the court would expect the assessment to have been prepared independently.

This independence helps ensure transparency and accountability.

For Government projects, such as those undertaken by the Ministry of Agriculture or Waterways, agencies may prepare their own Environmental Management Plans (EMPs). However, those plans are still reviewed by an independent registered EIA consultant to ensure the assessment meets the required standards before approval is granted with conditions.

In the forestry sector, a full EIA is generally required only where native forest resources are affected. In many cases where there are no significant native trees or sensitive environmental

features, a Determination with Conditions or an Environmental Management Plan is sufficient. These options are considerably less costly than a full EIA and can often be prepared by a junior consultant and it is not $7,000.

We have also worked with landowning units to reduce financial burdens associated with environmental bonds. For example, where a landowning unit intends to harvest multiple coops of forest land, we may structure approvals in stages. Rather than requiring the full environmental bond upfront, we can divide the operation into smaller sections and apply the bond proportionately to each stage. Once one coop is harvested and compliance requirements are met, the bond can be rolled over to the next section rather than requiring a new payment each time.

While this approach requires additional monitoring from the Ministry, it provides greater flexibility and helps ensure that landowners are not unfairly burdened by upfront costs.

HON. I. KURIDRANI. - What do you mean by a "section" or "coop" in that context?

MR. S. MICHAEL. - The operation is divided into smaller harvesting areas or blocks. For example, if harvesting is proposed over a 70-acre area, we may divide that area into several smaller clusters. Approval is then granted progressively, one cluster at a time. Once compliance requirements have been met for the first section, the bond and approval conditions can be rolled over to the next section. This staged approach allows us to monitor compliance throughout the project while also ensuring that concerns raised by landowners or communities can be addressed promptly if they arise.

MR. CHAIRMAN. - A question regarding yaqona farming. If a farmer wishes to expand from subsistence production to commercial production on approximately 10,000 square metres of land, and land clearing is required, would that trigger an environmental approval process?

MR. S. MICHAEL. - Yes. In that situation, we would generally require an EIA screening process which is $250. However, it is important to note that an EIA screening does not automatically mean a full EIA is required. In many cases involving agricultural expansion, we only require a Determination with Conditions or an Environmental Management Plan (EMP), not a full EIA.

MR. CHAIRMAN. - With the increasing demand and price of yaqona, more people are returning to their villages and clearing land for cultivation. What message should this Committee consider when developing recommendations to Government on this issue?

MR. S. MICHAEL. - Mr. Chairman, through you, before joining the Ministry, my background is an Economist, so many of the same questions were raised when I first came into this role. I frequently asked about value for money, returns on investment, and the balance between environmental protection and economic development. Over the past two years and nine months, one lesson has become very clear.

It is far more effective to address environmental and social safeguards at the beginning of a project than to attempt to introduce them later. If a farming business expands and later seeks commercial financing or larger-scale investment, it is much easier if the relevant environmental and social safeguards have already been completed.

Otherwise, farmers often ask why these requirements are suddenly being imposed midway through the development process. By completing the necessary screening and approvals early,

farmers can demonstrate to lenders and investors that their operations are environmentally compliant, socially responsible, and supported by the people and the vanua.

In many cases, environmental approvals also confirm that landowners and vanua have been consulted and have agreed to the proposed activity. For that reason, we believe environmental protection should begin with the screening process. It helps ensure the long-term sustainability of agricultural development while protecting both landowners and communities.

HON. J.N. NAND. - Mr. Chairman, through you, that raises another concern. We came across the case of a young poultry farmer in Tabia, Labasa, who had successfully established a poultry operation and was already operating one shed. The farmer then sought to expand by clearing an additional area of land to construct another shed. However, the expansion was stopped due to environmental requirements. The farmer was extremely frustrated, and I believe there may have been a disconnect in communication. Young farmers who are trying to grow their businesses often feel that these processes are preventing expansion rather than supporting it.

MR. CHAIRMAN. - I believe this is the same case we discussed in Vunidawa and Lomaivuna. The farmer already had existing poultry sheds and simply wanted to build an additional one. My understanding was that an EIA was requested, whereas many felt it should have been treated as an expansion or improvement of an existing operation.

HON. S. KUMAR. - Exactly.

MR. CHAIRMAN. - The farm already had several operational sheds, and the expansion appeared to be a continuation of an existing business. That is Environmental Planning as the Permanent Secretary had mentioned for Lomaivuna and Tabia cases.

MR. S. MICHAEL. - If that matter had been brought directly to us, we would likely have taken a similar approach. In fact, I am familiar with the Tabia case because the matter was subsequently appealed and reviewed. Following that review, we amended the requirement and approved an Environmental Management Plan instead of requiring a full EIA. Therefore, a full EIA was ultimately not necessary for that particular expansion.

One of the challenges is that many existing farms were established long before the Environment Management Act 2005 and the associated EIA Regulations that came into effect in 2007. As a result, many farming operations commenced without environmental approvals because those requirements simply did not exist at the time.

I agree that there is often a communication gap that is being circulated regarding how environmental requirements apply to existing operations. For example, if a farmer already owns land and wishes to expand an operation within that property, the question becomes whether the proposed activity triggers environmental requirements based on the nature and scale of the expansion.

Sometimes other approvals, such as planning or land-use applications, can trigger environmental assessments. In other situations, issues only come to the Ministry's attention when concerns are raised by neighbouring landowners or surrounding communities. Quite often, the first question raised by neighbours is whether the activity has received environmental approval.

HON. J.N. NAND. - In this particular case, all approvals had already been obtained, and the farm was operating successfully. They bought the land. The issue arose when the farmer wanted to

clear another section of land within the same property to construct an additional shed. The expansion was stopped, and neither the farmer nor the Committee could fully understand why this additional requirement was being imposed.

MR. S. MICHAEL. - The key factor is that environmental approvals are site-specific. An approval granted for one part of a property does not automatically apply to another area where new development is proposed. For example, one section of a farm may contain no environmentally sensitive features and therefore only require an Environmental Management Plan. Another section of the same property may contain native vegetation, waterways, biodiversity features, or other environmental considerations that require a different level of assessment.

When an EIA or environmental approval is granted, it applies specifically to the location and boundaries that were assessed. Therefore, if a farmer expands operations into a new area, we are required to assess that new site to determine what environmental considerations exist. However, where there are no significant biodiversity or environmental concerns, the approval process should generally be straightforward and proportionate to the level of risk involved.

HON. J.N. NAND. - I completely agree with that approach. My concern, however, is that these requirements and explanations need to be communicated clearly at the beginning of the process. That, essentially, is the concern of the Committee.

MR. S. MICHAEL.- Mr. Chairman, through you, one of the changes introduced through the amendments passed on 12 December 2025 was to centralise environmental approval processes under the Ministry of Environment and Climate Change.

Previously, environmental approvals were processed through various agencies, including the Department of Town and Country Planning (DTCP), municipal councils such as Suva City Council, and the Ministry of Lands, all of which had environmental officers involved in their respective approval processes.

However, this fragmented approach created a number of challenges. There were instances where approvals were issued by one agency with conditions requiring an EIA, but proponents proceeded with development without fully understanding or complying with those conditions. In many cases, the approval had been granted, but the requirement for an EIA was noted only in the conditions section, which was often overlooked.

As a result, development would commence before the environmental requirements had been met, creating compliance issues later. To address this, the responsibility for environmental approvals has now been consolidated within the Ministry of Environment and Climate Change, ensuring a more consistent and coordinated process.

MR. CHAIRMAN.- How do you deal with situations where development or construction has already commenced before the required environmental approvals are obtained?

MR. S. MICHAEL.- That depends on the circumstances. In some cases, we issue a Stop Work Order or Prohibition Notice requiring activities to cease immediately. In other situations, we may require the proponent to stop work, obtain the necessary approvals, and then resume operations once compliance requirements have been met. Each matter is assessed individually. We do not have a one size fits all approval and there is no single approach that applies to every case.

MR. CHAIRMAN.- Thank you. I have no further questions at this stage.

HON. I. KURIDRANI.- Would it be possible for the Ministry to provide the Committee with written guidance, such as a checklist or information sheet, that could be distributed to extension officers and other personnel involved in rural development activities?

MR. S. MICHAEL.- Certainly. We can prepare and provide a checklist to the Committee. We have also developed a flowchart explaining when an EIA is required and when it is not required. Our intention is to make the process easier to understand for both farmers and development practitioners.

One significant reform introduced through the recent amendments is the establishment of statutory timelines for environmental approvals. Previously, there was a perception that environmental approvals could take months. Under the revised framework:

- EIA screening is to be completed within seven days;
- Terms of Reference are to be issued within 21 days;
- Review of submitted EIA reports is to be completed within 21 days; and
- A final decision is issued thereafter.

These timelines provide much greater certainty for applicants and are intended to improve efficiency and ease of doing business even Australia and New Zealand do not have these.

From the Ministry's perspective, one of the most valuable contributions the Committee can make is to encourage farmers and developers to undertake environmental screening early in the development process. If environmental and social safeguards are considered before development begins, many of the issues that arise later can be avoided.

One of the challenges we frequently encounter is community opposition after a project has already commenced. On many occasions, members of the public approach the Ministry objecting to developments because they believe appropriate consultation was not undertaken.

In some cases, the concerns raised relate to issues that are beyond the Ministry's mandate, such as compensation disputes, vanua, or mataqali grievances. The screening process provides an opportunity to identify and address such issues early. It also gives both the proponent and the Ministry confidence that the necessary consultations and approvals have been properly completed.

For example, we recently dealt with a case involving the renewal of an existing approval however, the vanua stopped it. During the review process, inconsistencies were identified regarding certain mataqali and yavusa leadership where there were inconsistencies in consent. When we went on our fifth visit, we found out that all the Turaga ni Mataqali signatures were forged. This allows gives us the assurance that when a screening test is conducted, we can answer the community that all processes were followed and approval was given. Issues such as these demonstrate the importance of having proper screening and verification procedures in place from the outset. I will now invite our Head of EIA to provide some additional comments.

MS. M. KARAILEVUKA.- Mr. Chairman, I believe Mr. Michael has covered the matter comprehensively. From our perspective, the environmental screening process is fundamentally a safeguard mechanism. It protects communities, developers, landowners, and Government alike.

We often become involved in projects in one of two ways:

1. To mediate disputes that arise in the vanua
2. To address environmental damage and undertake rehabilitation work after impacts have occurred.

In many instances, public funds are ultimately used to address issues that could have been prevented through proper planning and environmental assessment at the beginning of a project. For that reason, we encourage all developers, regardless of sector, to undertake screening before commencing development activities.

We are currently in the process of reviewing and finalising the EIA regulations to complement the changes. To operationalise all of the amendments is taking a bit of time but we are working with the Ministry of Trade, Solicitor General's and other relevant agencies to assist us with this work especially with the B-PAS, which is the online digital platform of approval for Government agencies. As we are progressing with the amendments, we have noted significant changes that need to be made in order for us to confidently return to the public to state that this is the way forward for Fiji in terms of development. This process is taking additional time because we want to ensure that the regulations are practical, streamlined, and fit for purpose. At this stage, we estimate that completion of the regulatory review may take approximately another year.

MR. S. MICHAEL.- The objective is to develop a framework that supports development while also ensuring regulatory certainty and ease of doing business.

Chairperson, from the Ministry's side, we make the following commitments:

- We will provide the Committee with an EIA checklist.
- We will distribute environmental screening forms through extension officers and relevant agencies.
- We will prepare explanatory material clearly outlining when an EIA is required and when it is not required.
- We will develop awareness materials specifically for farmers and rural communities.
- We will work closely with the Ministry of Agriculture to strengthen awareness and understanding of environmental requirements.

For example, guidance material can clearly explain that:

- A sugarcane farmer continuing normal farming activities does not require an EIA;
- A farmer proposing a change in land use may require environmental screening; and
- The circumstances under which additional approvals become necessary.

We would also welcome any recommendations from the Committee while the regulations are still being reviewed. For example, there may be opportunities to better align environmental requirements with lease conditions or conservation provisions already contained within leases. These are discussions we are currently having with iTLTB and other stakeholders as they are also worried about the changes in the regulations in terms of fines et cetera.

Our objective is not to penalise communities. While the legislation provides for substantial penalties, our preference is to encourage compliance through awareness and cooperation rather than enforcement. Any suggestions from the Committee on how we can improve the regulatory framework would be greatly appreciated.

HON. I. KURIDRANI.- As a supplementary point, this is the Natural Resources Subcommittee. Our responsibilities include agriculture, fisheries, forestry, mining, and related

sectors. It would therefore be useful if these checklists and guidance materials could be made available across all relevant sectors.

MR. S. MICHAEL.- Certainly.

MR. CHAIRMAN.- Do you currently maintain an office in the Eastern Division in Ovalau?

MR. S. MICHAEL.- At present, we have offices in the Northern and Western Divisions. Services for the Eastern Division are largely coordinated from our Central Division operations.

MR. CHAIRMAN.- That may be contributing to capacity challenges, particularly for communities based in the Eastern Division.

MR. S. MICHAEL.- We acknowledge that challenge and will continue pursuing additional resources through future budget processes. Currently, much of our compliance and monitoring work for the Eastern Division is coordinated from the Central Division.

HON. I. KURIDRANI.- You mentioned that the EIA framework was introduced many years after some developments had already commenced however, there are companies that were already established before the established of the regulations. I raise this because of concerns regarding the Sigatoka River Safari operation. During a recent visit to communities along both sides of the Sigatoka River, villagers and farmers raised concerns about erosion which they believe is being caused by the tourism operation. Given that the business may have commenced before current EIA requirements, what can be done in situations like this?

MR. S. MICHAEL.- The Ministry can certainly undertake a site assessment and engage directly with the operator. Where businesses have expanded significantly over time, it may be appropriate to review whether environmental screening or updated approvals are required, even if the original operation commenced prior to current regulatory requirements.

We would encourage affected communities to formally register their grievances with the Ministry. Once a complaint is received, it becomes a trigger for our Compliance Unit to investigate and assess the matter.

In relation to the Committee's broader mandate over natural resources, I would also note that the Ministry has developed a number of sector-specific guidelines to support consistent assessment processes.
These include guidelines for:

- Mining operations;
- Emergency desilting activities;
- Dredging projects;
- Rezoning applications; and
- Other development activities managed in partnership with relevant line ministries.

In total, we have developed six standard operating procedures in collaboration with agencies such as the Ministry of Agriculture, Ministry of Lands, Mineral Resources Department, and DTCP. We would be happy to provide these documents to the Committee alongside the checklist materials.

One matter we are currently considering internally is whether separate environmental screening forms should be developed for specific sectors. The challenge is that screening forms are

prescribed in legislation, and any changes require regulatory amendment. We are therefore exploring a more flexible approach where a core form contains mandatory requirements applicable to all sectors, with additional requirements tailored to specific industries.

This would reduce unnecessary documentation, minimise repeated submissions, and make the process simpler for applicants while still ensuring that the Ministry receives the information necessary for proper assessment.

HON. V. NATH.- Mr. Chairman, through you, once a development has been approved, does the Ministry conduct follow-up inspections and site visits to ensure compliance? I raise this because there are a few developments that I believe require further attention from your office. One is the development at Nabouwalu, which I have raised previously. Another is a major development currently underway that is likely to contribute to the future expansion of the town boundary.

However, farmers located behind the development have raised concerns that they are now experiencing waterlogging issues. If I wanted officers from the Ministry to accompany me on a site visit to assess these concerns, what would be the appropriate process?

MR. S. MICHAEL.- A simple email to the Ministry would be sufficient. Once the complaint is received, it is entered into our complaints register, and our Compliance Team can accompany you to conduct a site assessment.

For the Committee's information, the Ministry's Compliance Unit was formally established this year through the national budget process. We began operating the unit informally last year, using existing EIA resources, but there was no dedicated funding at that stage.

Initially, the unit consisted of two officers. This year, additional funding was approved, allowing us to expand the team to four officers, including a Chief Inspector. The intention is for each officer to oversee a specific region. Their responsibilities extend beyond EIA compliance and include matters such as:

- Waste management compliance;
- Permit monitoring;
- Ozone-depleting substances regulation; and
- General environmental compliance activities.

Despite these improvements, we continue to require additional resources. We have repeatedly advised the Ministry of Finance that more officers are needed to undertake routine inspections of projects that have already received approval.

One of the recurring challenges we encounter is that, when inspections are eventually conducted, the development on the ground differs from what was originally approved.
In some cases, developers expand beyond the approved scope without notifying the Ministry. In other cases, the nature of the project changes significantly during implementation.

The legislation is clear that where there is a material change in project scope, the proponent must return to the Ministry for reassessment and approval. This is important not only from an environmental perspective but also from a financing perspective. Financial institutions often approve funding based on a specific project scope. If the project changes substantially, that can affect the viability and risk profile of the development.

A common example occurs within the forestry sector. A proponent may obtain approval for logging activities but later decide to establish a sawmill operation. While logging may have been approved, the sawmill component may not have been assessed as part of the original application. Ideally, both activities should have been incorporated into the initial proposal so that they could be assessed together.

This highlights the importance of public awareness and education. We need to help developers understand the approval process and ensure they consider all aspects of their development at the outset.

We welcome the Committee's input and would be pleased to make our officers available to assist with inspections where concerns have been raised.

MR. CHAIRMAN.- Thank you. Ladies and gentlemen, honourable members, that brings us to the end of this morning's session. On behalf of the Committee, I would like to thank all participants for their contributions. I now invite the Deputy Chairperson to deliver the vote of thanks.

HON. I. KURIDRANI.- To the representatives of the Fiji Development Bank, the Ministry of Environment, and your respective teams, thank you for making yourselves available this morning. We greatly appreciate your willingness to share your experiences, insights, and perspectives with the Committee.

The information provided today will be extremely valuable as we prepare our report and formulate recommendations to Parliament regarding agricultural development and related issues. As you are aware, this is the Natural Resources Subcommittee, and our work extends across a broad range of sectors, including:

- Agriculture;
- Fisheries;
- Forestry;
- Mining; and
- Other natural resource-related industries.

Today's discussion has demonstrated the interconnected nature of these sectors and the importance of collaboration between agencies to address the challenges faced by rural communities. We are grateful for the open and constructive dialogue that has taken place. The evidence and observations shared today will assist the Committee in developing recommendations that support sustainable development, improve services, and ultimately enhance the livelihoods and living standards of farmers, rural communities, and other stakeholders throughout Fiji. Thank you all for your participation and contribution.

The meeting ended at 12.08pm.