

## **4.0 TEN YEAR FRAMEWORK OF PROGRAMMES ON SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS**

### **4.1 Summary - Agriculture**

Agriculture faces immense problem and challenges. As the population continues to grow, the food needs increases while the availability of the arable land decreases. Therefore, the shift in agricultural production towards a more sustained resource base where people,

environment. It has provided support for sustainable farming practices to minimise soil erosion and land degradation problems, stabilise the rural community socially, economically and environmentally. It collects, acquires and generated good quality land resource based information for sound decision making in agricultural development. The project has created awareness on the government's recently adopted Rural Land Use Policy. It has also addressed some of the issues stipulated in the Land Conservation & Improvement Act of which it is the Boards' secretariat.

*Viability:* Addressing the issues in the programme on land conservation and land degradation will save the nation millions of dollars otherwise spent on dredging, maintaining erosion, fertilisers and chemicals, food security, and other socio-economic problems. There will be an ever increasing demand from the land and quality land resources information can ensure sound decision making for its development. Long term stability in the agricultural sector can only be ensured through sustainable farming systems. Self sustained agricultural production systems will ensure the viability of farms for future generations.

***UNCCD Venezuela grant -Combating Land Degradation in Fiji through the Promotion of Sustainable Land Management Practices.***

In 2007 the Government of Venezuela provided a US\$2million Grant for the Pacific region to the UNCCD for combating land degradation. The Land Use section after submitting its proposal was approved US\$90,000 to commence with activities to combating land degradation in Fiji through the promotion of sustainable land management practices.

*Activity update* - To date five sites had been approved and project activities have been implemented. Activities carried out include:





Through specialised river engineering technology, river monitoring, river dredging, land reclamation and river bank protections, works can be undertaken to protect the agricultural land, villages, towns and other infrastructures.

Land and Water Resources Management Division of Agriculture department, as the leading agency in this area will continue with works for the improvement of Nadi River Basin. Funds have been made available for the construction of more retention dams and irrigation facilities.

mandatory participation of the private sector. The DDA represents an integrated market driven agricultural assistance programme targeting progressive farmers, farmer groups or agribusiness in crop, livestock or value-added production that meets market demand. The inherent public-private partnership approach should not only mobilise private sector investment, given the equity requirement criteria, but also allow Government to be better in-tuned and responsive to the needs of the market. The Demand Driven Approach consists of five programmes: the Export Promotion Programme and the Import Substitution Programme. \$8.3 million have been allocated for 2008 and 2009 for export promotion and import substitution measures.

### ***Cottage Industry Development***

The Ministry has introduced policies that encourage emerging small holder farmers who are engaged in smallholding semi-subsistence agriculture. Cottage Industries are classified as home based enterprises that produces specific product that meet the demand of a specific market. These includes the production of noni, virgin coconut oil, coconut cream, chocolate, cut flowers, traditional artefacts, jam, confectionary and traditional processing techniques. \$0.5 million have been for 2008 and 2009 for export promotion and import substitution measures.

### ***Farming Assistance Scheme (FAS)***

The programme is aimed at assisting the rural subsistence farmers with grant of up to \$1000 for individual and \$10 000 for groups. The assistance is in the form of grants for planting material, tools, agriculture inputs, small farm machinery. The project is a national one covering the ALTA Leasehold Areas in the Central, Western and Northern Division. Project aimed to sustain the development of the sugar and other agro-based industries, to create employment for indigenous landowners and ex-ALTA tenants. To create a new generation of young farmers who could be motivated and assisted through this grant.

### ***Agriculture Marketing Authority (AMA)***

The Agriculture Marketing Authority Act No.2 of 2004 established the Agriculture Marketing Authority to facilitate the purchase, sale and exportation of Agro-produce and for related matters. The Authority will provide the following services as covered in the AMA Act:

- To assist the producers of Agro-producers in marketing of their products;
- To identify markets for and to facilitate and develop marketing of agro-produce;
- To purchase, sell and export and import agro-produce or import agro-input; and
- To do any other thing necessary to properly carry its functions and powers under this AMA Act.

### ***Objectives:***

- Improve AMA's current operations and business portfolios;
- Increase the range of agro & aqua produce that it is dealing in, and allow for a wider representation and presence in other parts of Fiji;

- Refocus and work within the core functions of the AMA to deliver on the





*Land use planning services provided* - Land use capability maps and reports produced for land users/owners to increase commodity production by farming the right crop on the right soil classification, 42 LUC maps produced, 15 produced in the Central/Eastern, 3 in the West and 24 in the North.

***UNCCD Program***

UNCCD implementation in Fiji initiated for development of sustainable agriculture activity in Fiji. Signing ceremony on March 14 and Project document signed by UNDP representative and Fiji Government (PS Ministry of Agriculture and Primary Industries). Project has now received its final approval to commence with the implementation of activities.

*Expected project outcomes and outputs* - Demonstration farms established in Vavinaqiri, Nadroga and in Navunikabi, Namosi for combating land degradation through the promotion of SLM implement. A Successful completion of the project by year 2 with regular monitoring and evaluation reports. Capacity built and mainstreaming of sustainable land management conducted, setting up and hands-on training for 6

***SITE 2: Combating Land Degradation in Navunikabi through the Promotion of Sustainable Land Management Practices***

Navunikabi village is located in the province of Namosi. The topography is a



*Harvesting & Marketing* -The vegetables plus watermelon was sold in the local Rakiraki market. The money obtained from the sale of the products was kept by the LTC to pay for land preparation in the next vegetable season.

*Nasinu Secondary School* - Only one demonstration site was established in Nasinu Secondary. The site serves 3 purposes:

- for food security : through promotion of local fruits & vegetables
- to educate students on good farming practices
- to promote agriculture as a means of income generation to students

All the produces have been used by the school. DSAP has supplied nursery materials to the school so that the nursery could be established for training purposes and merely for the fact that the School Farm Management can purchase and raise their own seeds.

*Young Peoples Department (YPD) in Davuilevu*

### ***Food and Agricultural Organisation***

*Project-RICE Revitalisation Program* - Rice is the main staple food-crop grown in Fiji, and Government's emphasis is to continue more rice production as an import substitution and promotion as one of the beneficial diversified crops especially in the Northern and Central Divisions.

The project entails to provide support services and procurement of agro-inputs for local rice production, boosting local production to increase foreign exchange saving and improve the quality of life for the rural communities through increasing production and income generation, creating rural employment opportunities etc. The program will encourage the indigenous land owners who acquired former rice land in irrigation schemes to cultivate rice as an alternative for their traditional root crops and benefit from the existence of large demand for local rice. The program input is sufficient to plant 100 ha of rice and produce up to 300mt paddy rice with estimated value of \$150,000. Apart from addressing the wide socio- economic issues, most importantly the program will address the food security as well as poverty alleviation situation faced by rural poor.

Project-Small-Scale Chicken and Duck Farming Pilot project for Fiji. The Fijian poultry industry as in most developing third world countries is split along formal-commercial versus informal-peasant lines. Relatively little admixture of the 2 (two) sub sectors exists in Fiji except for sourcing of single-ingredient and balanced ingredients feed inputs from the formal sub sector feed mills. To exacerbate the difficulties faced by the informal rural poulterers the 3 (three) dominant formal sub sector poultry integrators have effectively sealed off access to improved gene stock (day-old chicks, and ducklings), and feed inputs for the small holder poulterers in Fiji - creating a real dilemma.

At the end of the project (22 months) it is envisaged that FAO funded infrastructure e.g.: Hatchery, feed mill, and Breeder Growing facilities (for chicken and duck fertile egg production) will be commercially self-sustaining. And the pilot recipients can effectively operate on their own in a quasi-co-operative framework. The first batch (harvest) alone has been conservatively projected to return gross receipts of 60% of the desired FAO funded inputs of F\$96,360 (US\$58,048). This project will definitely assist in food security for the rural majority in Fiji, eradicate poverty, and assist Fiji economically because of the high turnover rate of production. This project proposal is commended for your positive response and kind assent.

*Project-Smallholder development programme for milk and beef* - The project aims to assist the smallholder dairy farms to increase their milk production and surplus stock for beef.

The scope for improvement of both the dairy and beef production on semi-commercial small farm holdings is large. These farms contribute significantly to overall production in both the formal and informal sector (subsistence). Assistance in strategic areas can lift production from these farms immediately and on a sustainable basis. It is expected that farmers will increase production from 3.5 Litres – 7 Litres per cow per day, resulting in

an extra 5,000 Litres per day fetching extra income of \$2200. (\$800,000/year). There will also be extra income from the extra beef cattle produced.

***Watershed Management program***

*Nadi Watershed*; Construction of Mulomulo weir dam in underway and the consultation with NLTB and resource owners for development approval is completed.

*Nasau Irrigation system*: Consultation with NLTB for development approval on lease land completed installation commenced in August and is progressing.

*Ba Watershed & Labasa Watershed*: Desk study for these projects has been completed with sites Identified at 10.

There is an urgent need to commercialise the agricultural sector given that the contribution of the subsistence sector to agricultural GDP has remained constant over the years. Past interventions by the MOA to transform the subsistence sector to semi commercial have been failures. The main cause of such failures have been the adoption of a mode of project implementation whereby staff mostly focus on production with limited attention given to addressing constraints along the supply chain. The future Ministry's present plan seeks to replace top down, supply driven institutions with demand driven service delivery by government and the private sector to promote commercial farmers

Finance for farming remains a key constraint. The outreach of rural financial services is limited, because there are insufficient borrowers to make it viable. The uncertainty over Land Leasing Arrangements is an overriding constraint on the move to a more commercial focus. Allied to this, there is a need for farmers to develop better farm management and business skills, and to develop and implement business plans for viable enterprises which will in turn improve access to finance.

Future viability for the Fiji sugar industry will depend on being able to produce sugar at a profit at world market prices. Furthermore, the necessary investment required to increase productivity will not occur unless there is long term security of land tenure. With the major concerns relating to Fiji Sugar Corporation's insolvency and falling sugar prices beyond 2007 when the EU Cotonou Agreement sugar price regime ends.

6 ( a b e e 6 5 . 1 ( y ) - 1 8 ( i c 5 4 . 1 ( 1 ) - , 2 ( ) . 2 ( a ) 3 n i n e ) 4 . ( v e ) 5 k 2 ( a ) 3 v  
p l ( o 1 3 . a n d ( 1 ( o 1 3 . s u s . 1 . ) - 5 9 ( m e d ( 1 ( o 1 3 . 1 ( w s 9 ( 6 ) - 8 . 9 ( m 4 6 . 6 (

absence of local cool-stores and grading and packing facilities lead to severe quality deterioration during the passage from farm to market.

A requirement of demand driven services is that the farmers need a means to communicate their demands. The small size and large number of farms is a constraint to effective communication, mechanization, technology transfer and marketing. Existing and new farmer groups need to be fostered and empowered so that they support members' needs in a farmer-to-farmer network.

#### **4.1.6 Expected Project Outcomes and Outputs**

Provided the issue of expiring land leases can be satisfactorily resolved a significant portion of the existing sugar industry can remain viable in the future, even at world market prices. However this will require significant, but achievable, reductions in costs. Thus the appropriate policy emphasis should be on improving the efficiency of the existing industry and not on encouraging large-scale transfer of lands out of sugar. This is indeed fortunate for no single crop or group of crops have been identified that could replace sugar in the foreseeable future. Yet, while recognising the continued existence of sugar, there is an urgent need, and indeed effort has been stepped up to accelerate Fiji's diversification efforts. These efforts need to be directed in the areas where the country has a sustainable competitive advantage.

As a small island economy, Fiji faces obstacles in the development process that are not present in larger countries. It is inherently less diversified which makes it more vulnerable to both internal and external shocks. With a small population, economies of scale are difficult to achieve in domestic markets and investment in infrastructure more



## **4.2 Summary - Energy**

Approximately 60% of the country's electricity requirements continue to be supplied by indigenous hydro and other renewable resources mainly baggase and wood chips. This is provided largely through the Fiji Electricity Authority's (FEA) grid network on Viti Levu, Vanua Levu and the island of Ovalau, and to a lesser extent from solar home systems, micro hydro installations, and biomass. The Imported petroleum for diesel back-up generators, meets the remaining balance of 40%. In the rural areas, which includes interior of the two main islands and outer islands, the Department of Energy (DOE) has installed a total of 631 diesel based systems.

The contribution of the electricity industry to GDP was 4.1% in 2006 and is expected to fall to 2.0% in 2008. The decline is due to the current political situation, large investments in Tourism Sector and Construction Sector are put on hold and lastly a decline in the Manufacturing sector.

### **4.2.1 Providing an enabling environment for a sustainable energy sector**

Effectively, measures have also been put in place to improve the efficiency, effectiveness and delivery of FEA's operations. At the moment, Government is organizing with stakeholders for the review of the regulatory role of FEA with the intention of removing this role which will enable the company to concentrate on its core business. FEA plans to invest \$350m up to 2011 in parallel with some \$150 million of private investment in Independent Power Producer (IPP) and Public Private Partnership (PPP) arrangements. FEA hopes that additional national investments, including private companies, in hydro, geothermal, wind, solar, biomass and municipal waste will help it reach its highly-ambitious goal of 100% renewable energy by 2011. The demand for Industrial Diesel Oil (IDO) may increase substantially if targets are not met within the specified period.

In terms of the Ten Year Framework of Programmes on Sustainable Consumption and Production Patterns, the Cabinet in November 2006 endorsed Fiji's National Energy Policy (NEP). It contains strategic action plan that provides the framework for a sustainable energy sector activities. The NEP provides a common framework for all (both public and private) associated with the energy sector to work towards for optimum utilization of energy resources for the overall growth and development of the economy over the next five years. NEP has four strategic areas which include National Energy Planning, Energy Security, Power Sector and Renewable Energy. Our guiding principles include:

- Social and Gender Equity;
- Environment Compatibility;
- Stakeholders Participation;
- Good Governance;
- Public Acceptance; and
- Energy Efficiency and Conservation.

The department has also included the four strategic areas in the formation of its Annual Business Plan since 2006. For this year the detailed activities includes:

Ø ***Strategic Area 1: Energy Planning***

§ Institutional Strengthening

§ Energy legislation

§ Power Sector Development

§ National Energy Advisory Committee

§ Energy Information & Database

§

f Enitng

f

f f

- Inconsistent services by shipping companies for outer islands;
- current high price of oil and the impact of this on domestic costs and the fuel import bill;
- current regulatory arrangements in the electricity industry;
- the lack of a regular energy sector information database; and
- weaknesses in the delivery mechanisms under the current Rural Electrification Policy.

***The major issues regarding the energy sector that was outlined in the 2008 Budget address are as follows:***

- 1) Government is concerned at the risks to the economy and our Balance of Payments position from growth in the fuel imports bill. Fuel imports bill has risen strongly over the years due to both increased demand as well as the escalating world price for oil.
- 2) In 2000, Government paid \$332 million for oil imports - about 18 percent of our total imports. Last year, Fiji's oil import bill was just over \$1 billion - one-third of the total import bill. This illustrates the phenomenal rise that has occurred over the years.
- 3) Oil consumption by the Fiji Electricity Authority accounted for 10 percent of total oil imports last year. It is obvious that steps have to be taken to reduce this heavy dependence on imported fossil fuels.

*To help facilitate this, Government will do the following:*

- i. continue with its renewable energy investments and assist in securing financing of the construction of an additional hydro-power facility in Nadarivatu and other identified feasible sites;
- ii. At the same time, Government will work closely with the Donor Agencies to identify and implement small renewable energy projects around the country, particularly in the Northern division where off-grid schemes are more viable at this stage; and
- iii. Government is pushing ahead aggressively with investments on power cogeneration and Biofuel production.

***Policy Objectives, Strategies and Key Performance Indicators***

<b>Policy Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>
The community has increased secure access to affordable and reliable energy supplies.	<ul style="list-style-type: none"> <li>• Enact enforce appropriate legislation to improve sustainable energy use, including the National Energy Policy (NEP) and Renewable Energy Based Rural Electrification Act.</li> <li>• Monitor Customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• GDP per kg oil equivalent, at constant 1995 prices, increased from \$5 in 2004 to \$8 by 2010.</li> <li>• Household power</li> </ul>

Policy Objectives	Strategies	Key Performance Indicators
	<p>through survey and develop and implement an awareness programme.</p> <ul style="list-style-type: none"> <li>• Establish a reliable energy information system for end use decision making at all levels.</li> <li>• A better understanding of Fiji's energy security situation developed and maintained to guide future policy decisions.</li> <li>• Greater collaboration within the</li> </ul>	

*Sector Issues, Current and Expected Future Priority*

<b>SECTORS AND ISSUES</b>	<b>Current Government Priority</b>	<b>Expected Future Priority</b>
<b>Energy Efficiency &amp; Renewable Energy</b> Industrial energy efficiency	Household energy efficiency	Develop 4.5 (nm15.) 10.1 (ln4.5 (nt52slE of) 2.3(

		recognize energy efficiency
--	--	-----------------------------

### **4.3 Summary – Indigenous Affairs**

Under the framework of Sustainable Consumption and Production (SCP), the Ministry of Indigenous Affairs is directly involved in the coordination of better utilization of land through its national committee (Committee on Better Utilisation of Land - CBUL), coordination of the Affirmative Action Programme (AAP) and the implementation of the Business and Technical/Vocational Training through Centre for Appropriate Technology Development (CATD), Nadave.

#### **4.3.1 Committee on Better Utilisation of Land (CBUL)**

Unproductive use of land especially the reverted ALTA leases has been an issue of concern of the Interim Government despite the availability of good productive land, skilled farmers and good climate. A major reason for this is the unnecessary fear that native landowners have in believing that their land can be alienated or taken away by tenants who are largely Fiji Indians.

History has proven that Fiji Indians, who have lived in Fiji for close to 130 years, have never taken an inch of Fijian native land and have no intention to do so. They are content with the leasing tenure system currently in place as it has provided them access to native land which they have utilized for their livelihoods.

- (ii) To ensure that the landowners realize the benefits that they and their future generations will reap if they allow their land to be leased rather than being left idle.

### ***Taskforce Teams***

The Taskforce will spearhead efforts to promote better utilization of land on ALTA reverted lands and other available lands for lease to prospective tenants who can maximize farm returns. In the process, the Taskforce will assure the landowners that neither the Indians nor the Interim Government has any intention at all to alienate native lands. This is to allay the fear implanted by politicians and extreme nationalists on the alienation of native land. The Taskforce teams will also ensure that the landowners realize the benefits that they and their future generations will reap if they allow their land to be leased rather than to be left idle.

### ***Justification for Promotion of Better Utilisation of Land***

The non-renewal of ALTA lease has basically brought more suffering to land owners, ex-tenants and the nation as a whole than benefits. In fact, the only beneficiaries are the politicians and extreme nationalists who had discouraged landowners from renewing ALTA leases for their own interests.

- **Landowners**

Many of the reverted ALTA leases have been left idle and uncultivated by landowners. While there are several reasons to explain this, one noticeable reason is the lack of knowledge and skills for cane cultivation. This and the loss of income from land rental has drastically reduced the income derived from sugarcane farming activities. This has in turn affected other mataqali commitments such as direct deduction payments on housing loans under the Housing Authority Village Housing Scheme and putting other mataqali business ventures in jeopardy. Also, infrastructural development at villages such as construction of access roads, community halls, sanitation projects which used to be subsidized or fully paid for by mataqali's, have also been affected.

At the individual level, many members of the mataqali have also felt the pinch of reduction in land rental income as they are now required to foot the bills that were once met by their mataqali such as school fees, church contributions and other social commitment like deaths.

- **Ex-Tenants**

Like landowners, ALTA tenants have also lost part or all of their household income. With their little savings, they have moved to ALTA re-settlements areas where they are engaged with a totally different type of farming or to move to other areas and engage in informal activities to generate much needed income. However, most have opted to move to towns in search of jobs resulting in the rise of squatter settlements especially in Suva. Most of these ex-farmers lack technical skills such as carpentry and engineering thus; contributing to the high unemployment rate.

These displaced farmers in their new residences have to rebuild their lives by building new homes, finding new schools for their children and adjust to new life styles. All these changes have affected them psychologically and also chew up a sizeable portion of their savings and some have been left penniless and poor.

- **Nation**

The Sugar Industry, a backbone of Fiji's economy is now finding it difficult to meet its export quota because of a decline in cane production and is on the verge of collapse. This has affected the overall economy by the decreasing sugar returns and reduced consumption capacities of those directly relying on the industry.

The increase in urban drift has resulted in the overall increase in squatter settlements and a decline in rural population especially in sugarcane growing areas. This has pressured Government to divert more funds to solve the squatter problem and is likely to reduce funding in the future on the depopulated areas for reasons of economic viability.

- **Benefits To All Stakeholders**

The renewal of ALTA leases and giving up of all available lands for leasing and be productively utilized will certainly reverse the current trend. Landowners, tenants and the whole nation will regain the benefits lost and will reap more benefits once crop production is maximized.

***Measures to Promote Better Utilisation of Land***

- **Government Incentive**



4.

Government's commitment to the disadvantaged in society is demonstrated by the substantial financial resources allocated to AAP, which in 2005 amounted to about \$71 million or five per cent of GDP. This was 12 per cent higher than the allocation for 2004. The performance of the 29 programmes has been reported mainly with an input/output –

*Infrastructure Development in Rural Areas* – The EU funding of F\$44m was launched in November 2005. About 300 rural primary and secondary schools have been prioritized



the lack of start up capital and basic management and business skills to drive the day-to-day financial activities. This is where joint venture partners enter the system and to date most are using Fijians as 'fronts' and reap the benefits, which should go to Fijians and Rotumans.

*Seed Capital Revolving Fund (SCARF) Facility* – Facility for fishing was suspended by FDB for a number of strategic reasons including high debt level (close to \$2.0m), short term license and lack of management skills. SCARF facility for logging and transportation needs reviewing in order that targeted groups benefit fully.

*Participation in the Tourism industry* – in 2005, a total of 36 eco-tourism projects were approved for Government grants totalling \$591,330.81. It was estimated that these

the same time, the success of AAP would be greatly enhanced if the machinery to implement and monitor each program was clearly and appropriately identified. This could be done under a project implementation plan that also incorporates principles of good governance and best practice.

#### **4.3.4 Way Forward**

The strategic framework for Change confirms the continuation of the Programme and the need for review. T6ew. Tb6 212(o)-1(r)ey 8.8ion tiw(e71(l)9(is)-2.8(n)2.8(-2.)10c( )-5or )e-8.4(m)9.7(s4 df

- Construction of one Drum Oven Stove for the Father Law Home at Veisari, Lami.
- Construction of a three classroom building was undertaken and completed by Carpentry students at the Noco Junior Secondary School, Rewa.
- Engineering students were involved in the repair and maintenance of 43 equipments involving 11 outboard motors, 19 brush cutters, 5 lawnmowers, 4 chainsaw and 4 portable generators. In addition they also repaired 8 private vehicles and carried out the servicing of all the five Centre vehicles.

Such programme helps trainees to gain hands on experience while assisting communities to complete their development projects.

***Rural Community Technical Training Programme***

This programme has been fully completed.

- 10 Outboard Motor Maintenance & Servicing Programmes in Kadavu,

Training Motivators were also trained and 68 follow up visits were made to villages that were attended to in 2007.