



# GOOD PRACTICES NOTES

# Five Key Points

- 1. Challenges and constraints the 'Restructure of rural smallholder farmers' addressed:
- Lack of formal structure:
- Subsistence farming:
- Lack information and knowledge on business, planning, financial management, and market standard and quality requirements;
- Lack of access to domestic and export markets;
- Lack of access to quality agriproduction inputs;
- · Lack of access to finance
- Limited access to agriculture advisory services;
- Inconsistency in supply and meeting quality standards.

## 2. Objective

 Restructure smallholder farmers as entrepreneurs and partners in agribusiness to increase farmers' productivity and income, alleviate poverty, improve livelihood, ensure food supply security and sustainabl land management.

## 3. Methodology

- i) Stakeholer consultations/engagement
- ii) Capacity development
- iii) Formation of Farmers' Organisations (FOs)
- iv) Membership and registration of farmers

#### 4. Highlights of the result

- Restructure facilitates changes at individual, organisational and institutional levels of the nonsugar agriculture sector:
- Formal structure involves formation of farmers' organisations to drive changes for their members/ farmers, individually and collectively;
- An apext body is required such as FCLC to facilitate the restructure process and obtain support of the government and key stakeholders;

#### 5. Recommendation

- Restructure of the rural smallholder farmers in Fiji has improved farmers productivity and income, farmers are better organized and moved to commercial farming.
- The restructure process can be replicated for an organisation or sector that needs changes for improvements at individual, rganisational and institutional levels.

# "Restructure rural smallholder farmers as entrepreneurs & partners in agribusiness"

"Farmers constitute the majority of world's small and medium enterprises, and small farmers also represent the majority of world's poor..."

- The restructure process facilitated changes under the three pillars of services of FCLC, provides the opportunity for the rural smallholder farmers to be represented, and participatory involving women and youths in farming.
- Fiji's smallholder farmers live in rural villages and communities, who are depending on crop and livestock farming for their daily food consumption, food security, income source, and livelihoods.
- About 80% of these smallholder farmers relied on subsistence farming for daily food consumption and surplus sold in the open market for income.
- The crop and livestock sector is also known as the non-sugar sector of Fiji. Smallholder farmers who relied on this sector, faced a lot of challenges due to their geographical location of remoteness and scatteredness, lack formal structure, lack of access to markets, finance, agriculture advisory services, and quality agri-production inputs.
- At national policy level, the Fiji Agriculture 2020 Policy Agenda (Agenda) of the Ministry of Agriculture aims at achieving a diversified, economically, environmentally and sustainable economy in Fiji. The Agenda articulated that agricultural extension (agriculture

- advisory services) is a building block for rural transformation, and plays a pivotal role in fostering Modern Organized Agriculture.
- Modernizing the agricultural sector includes 'organising and strengthening the smallholder farmers as entrepreneurs and partners in agribusiness'. The ultimate aim is to help increase farmers' productivity and income for sustainable livelihoods, food and nutrition security, and resilient communities.
- Government through the Ministry of Agriculture, supported the non-sugar agriculture sector, in collaboration with the European Union (EU) Programme on 'Improvements to Crop and Livestock', coordinated by the UN International Trade Centre from 2013 to 2016. It facilitated the restructure and/or changes for improvement for the sector.
- The restructure process saw the establishment of a Fiji Crop Livestock Council (FCLC) in March 2013, as an apex body mandated to oversee and drive the restructure of the crop and livestock sector (nonsugar sector).
- The role of the Fiji Crop Livestock Council (FCLC) is based on three key pillars of services, that facilitates the change process specifically to:
  - strengthen and develop farmers and farmers' organisations as entrepreneurs and partners in agribusiness;
  - ii) provide agriculture advisory support services;
  - iii) advocate and build network linking farmers and farmers' organisations to other players, supporters, enablers in the farmers value chain, include donor funding facilitators.
- Restructure/change process undertaken by FCLC during the six year period (2013 – 2018) took into consideration the SDGs, and three strategic goals of the national agriculture policy to:
  - Build modern agriculture in Fiji as an organized system of producing, processing, and marketing crops, livestock, and aquaculture products;
  - Develop integrated production, processing, energy, and transport, infrastructure support system for agriculture; and
  - Improve delivery of agriculture support services.

- The initial situation of Fiji's non-sugar agriculture sector is that more than 80% of the rural smallholder farmer rely on subsistence, and live in remote villages in the highlands of the two main islands of Viti Levu and Vanua Levu, and in the maritime islands in the Eastern Division of Fiji.
- Government, through the Ministry of Agriculture provides subsidies annually in the form of seedlings, fertilizers, and machine, for the rural smallholder farmers. The subsidy level is not enough to cover the estimated 65,000 farmers in the non-sugar agriculture sector.
- Agriculture advisory services (AAS) is provided by the Extension Division of the Ministry of Agriculture. The current extension officer to farmer ratio of 1:800, reflects the immediate need to improve the ratio, strenthen capacity building of AAS providers, and raise quality of services that is needs-based.

# Challenges of Rural Smallholder Farmers

- Restructure of the crop and livestock farmers by FCLC, aimed at addressing the challenges and gaps faced by the rural smallholder farmers at all levels (institutional, organizational, and individual) that includes:
  - Lack of formal structure farmers live in remote areas/villages;
  - Subsistence farming just enough for daily consumpation and few income to support family expenses and needs;
  - Lack information and knowledge on business, planning, financial management, and market standard and quality requirements;
  - Lack of access to domestic and export markets:
  - · Lack of access to quality agriproduction inputs;
  - · Lack of access to finance
  - Limited access to agriculture advisory services;
  - Inconsistency in supply and meeting quality standards.
- Other areas of development to be addressed by FCLC in coordination with the Ministry of Agriculture, Fiji Agriculture Advisory Services (FAAS) and key stakeholders are:
  - Poor infrastructure to facilitate market access of agricultural produce, particularly in the rural and outer islands;
  - lack of nurseries for seeds and planting materials
  - agriculture training on better farming practice, planning and business/market knowledge, value chain analysis
  - · accessibility of farmers to saving and credit

- facilities
- disconnects between farmers and value chain operators, supporters and enablers
- disconnects between the tourism industry and agriculture sector linkages to match demand and supply, in order to reduce imports
- lack of demand driven research in partnership with the private sector
- agriculture advisory services (AAS) focus entirely on technical aspect of farming
- farmers lack knowledge to assess and mitigate risks
- high transport costs to the markets/buyers
- lack of technological/mechanization knowledge to farming
- insufficient subsidy to cover the farmers' needs (should be needs- based)
- lack of climate smart farming practice and knowledge for sustainable land management
- lack of knowledge on food safety and quality
- lack of knowledge on value adding and product diversification
- uncertainty about the volume and value and opportunity to value add in the informal market
- inability for rural smallholder farmers to enter high value markets, and value add
- lack of aspirations of subsistence farmers where the incentives to adopt commercial farming systems and practices are complex
- The restructure of the non-sugar agriculture sector requires reliable/ consistent funding by Government, and support of the agriculture stakeholders.

# Methodology

## i) Stakeholder consultation/engagement

- Restructure of the crop and livestock sector (non-sugar sector) initially commenced with wider consultations of the key Government Ministries (Ministry of Agriculture, Office of the Prime Minister, Solicitor General's Office, Ministry of Economic Planning, Ministry of Industry & Trade, Ministry of Youth & Sports, Ministry of Women Affairs, Ministry of Rural Development & Maritime).
- The Ministry of Agriculture coordinated the consultation process up to the endorsement of a Policy Paper by Cabinet on the establishment of the Fiji Crop Livestock Council (FCLC) as an apex body to oversee and drive the change and restructure of the non-sugar sector.
- FCLC was initially funded by the EU from 2013 to 2016, and Fiji Government Grant from 2017 to 2019.

## ii. Capacity development

- FCLC conducted trainings for rural smallholder farmers in the four Divisions (Central, Northern, Eastern, and Western) in Fiji.
- Purpose of training was to raise awareness of the role of the FCLC, understanding national development goals and SDGs, identify gaps and challenges faced by the farmers, and obtain comments/views of farmers on strategic way forward to address their problems/challenges.
- The capacity development and consultation process phase took three years (2013-2015) to complete, securing farmers' confidence and trust with sense of ownership of the restructure/change process.

# iii. Formation of Farmers' Organisations

- Due to scatterdness of the rural farmers, it is prudent to formally cluster/group farmers into commodity based farmers' organisations (FOs).
- FOs are registered under the Fiji Labour Act, that governs their role, terms and conditions of operation.
- Thirteen Farmers' Organisations (FOs) have been formed and registerd during a four year period (2016-2019). The thirteen FOs established are national associations/commodity bodies for: Ginger, Dalo (Taro), Yaqona, Cocoa, Fruits & Vegetables, Rice, Coconut Growers, Grazing Livestock, Beekeepers, Organics, Piggery, Spice Growers, and Fiji Agrifood Processors.

## iv. Registration of members/farmers

- FCLC drive membership and registration of farmers to join their respective FOs.
- Registration number of non-sugar sector farmers projected is 65,000, and total registration made as at end of December 2018 is 35,000.

# **Key Findings**

- FCLC is the apex body that represents the individual commodity associations that make up the Fijian non-sugar agricultural industry, becoming the only body operating in this capacity in Fiji.
- The Council acts as an advisory and lobbying agency for the thirteen FOs and their members.
   This involves direct engagement and consultation with farmers to better understand their needs, and deliver services that only meet their demands, but contribute to the overall development and growth of the non-sugar agricultural sector in Fiji.
- The restructure process facilitated changes under the three pillars of services of FCLC, provides the opportunity for the rural smallholder farmers to be represented, and participatory involving women and youths in farming.
- Leaders of the FOs, and successful farmers have shared knowledge and best farming practices based on practical experiences, with other farmers in their areas. They are enaged by FCLC to provide agriculture advisory services (AAS), in their areas of expertise as a farmer, supporting the extension officers of the Ministry of Agriculture.

# Recommendations and Conclusions

- There are opportunities to be integrated into FCLC activities for the improvement of the non-sugar agriculture sector that could be undertaken by FCLC and are categorised under training, research, dialogue, technical knowledge, agri-business and trade.
- The restructure/change process undertaken ensures that proper policy decisions are in place, including governance framework. This ensures that governance principles of 'transparency and accountability' is observed at all levels of the nonsugar agriculture sector.
- The restructure of Fiji's rural smallholder farmers undertaken by FCLC, can be replicated by other sectors in Fiji, and the region, subject to compliance to applicable laws and policies.
- FCLC plays a pivotal role of linking the non-sugar sector (smallholder farmers) within their FOs and directly with the Government bodies, donor agencies, and stakeholders.

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