

POLICY DISCUSSION

Crops & Commercial Farming



Content

Policy Options for MAL Core Activities

- i. Large Scale Commercial Farming and Plantations**
- j. Cooperative Development Services and Cluster Farming**

i. **Large Scale Commercial Farming and Plantations**

The large-scale plantation sector has been negatively affected by social unrest, land disputes and the recent civil unrest. These events have forced the closure of many plantations; including the Russell Islands Plantation Estate Limited (RIPEL), RCSymes Plantations in Isabel and Baunani Plantations in Malaita.

The successful restoration of these plantations and the future expansion of the sector will depend on the resolution of sensitive social and land issues and a stable macroeconomic environment as well as a business friendly environment to create confidence in investors.

- **Objective:** To increase production, export, export earnings, employment and encourage agricultural diversification.

- **Policy Statement/Focused Activities**
- 1. Encourage and strengthen involvement of the private sector in agriculture development through appropriate policies, tax incentives and other incentives
- 2. Maintain a cohesive and consistent policy commitment on private sector led growth and reduction of barriers faced by the industries
- 3. Encourage and facilitate the involvement of smallholder groups or cooperatives in commercial agriculture including plantation out-growers schemes
- 4. Reassess the functions of the Commodities Export Marketing Authority (CEMA) and strengthen its pivotal role in the development, regulating and marketing of agriculture commodities
- 5. Redevelop and consolidate estate plantations (crops/livestock) linked to out-grower schemes particularly on alienated land and registered land, with new allocations of arable Land for estate type projects not precluding the expansion or resettlement of smallholder farmers
- 6. Provide secure land tenure by resolving sensitive social, cultural and land issues

j. Cooperative Development Services and Cluster Farming

Cooperative development functions include promotion, registration and deregistration of cooperatives, inspection and mobilization of rural savings and credits. Encourage more commercially oriented smallholder farmers particularly those within easy access to urban centre maximizing market opportunities by producing vegetables, fruits and needs of urban markets.

- **Objective:** To empower small farmers in rural communities for adoption of appropriate production technologies and maximize market opportunities.
- **Policy Statement/Focused Activities**
- Promote and strengthen the Cooperative movement in the sector as an important rural institution to serve farmers interests and provide support services and enabling environment
- Take the lead in facilitating the formation and growth of democratic producer and marketing organizations, which together with individual businessmen and private companies will endeavor to serve the farming and livestock keeping communities to the best of their ability. This includes encouragement and support for the formation of sub- sector associations for specific crops
- 3. Strengthen the existing Cooperative Society Act to meet the current challenges
- 4. Provide fiscal incentive for agricultural cooperatives to their endeavor to modernize small farmer's production system
- 5. Pursue Enactment of Farmers Association Legislation