



Potentials and Opportunities of Agri-Tourism and Support Required for Farmers and Livestock Farmers to supply the Tourism Sector

**Presentation By: Jiu Daunivalu
Fiji Crop Livestock Council
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OUTLINE

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Farmer Types/ Categories

- 1) Subsistence – for consumption and livelihood
- 2) Semi-Subsistence – for consumption and small income to support livelihood (80/20)
- 3) Semi- Commercial or Smallholder Enterprise
eg. Sigatoka Valley - Market Demand is dominant;
- 4) Fully Commercial (100%)

Buyer Type/Categories

- Buyers operating in the Value Chain have different features or characteristics that determine their needs.
- Different buyers of agricultural produce are :
 - 1) **Middlemen or Business Operators/Service Providers (larger in size and emphasis on quality);**
 - 2) **Middlemen or Farmers Supplementing Incomes (operate on a smaller scale but have a strong social importance in the local community);**
 - 3) **Middlemen or Market Vendors/Farmers with Market Stalls (strong social importance in the local community);**
 - 4) **Middlemen or Importers;**
 - 5) **Processors/Exporters –larger in size and emphasis on quality**
 - 6) **Hotels and the tourism industry.**

Factors Limit the ability to market produce to Hotels

1. Inability to provide a wide range of products;
2. Inability to provide same-day delivery to hotel premises;
3. Inability to provide 30-days credit; and
4. Use of inappropriate packing materials.

Major factor contributing to hoteliers preference to import

1. Hoteliers prefer imported produce as local producers are unable to provide a consistent supply of high quality produce.

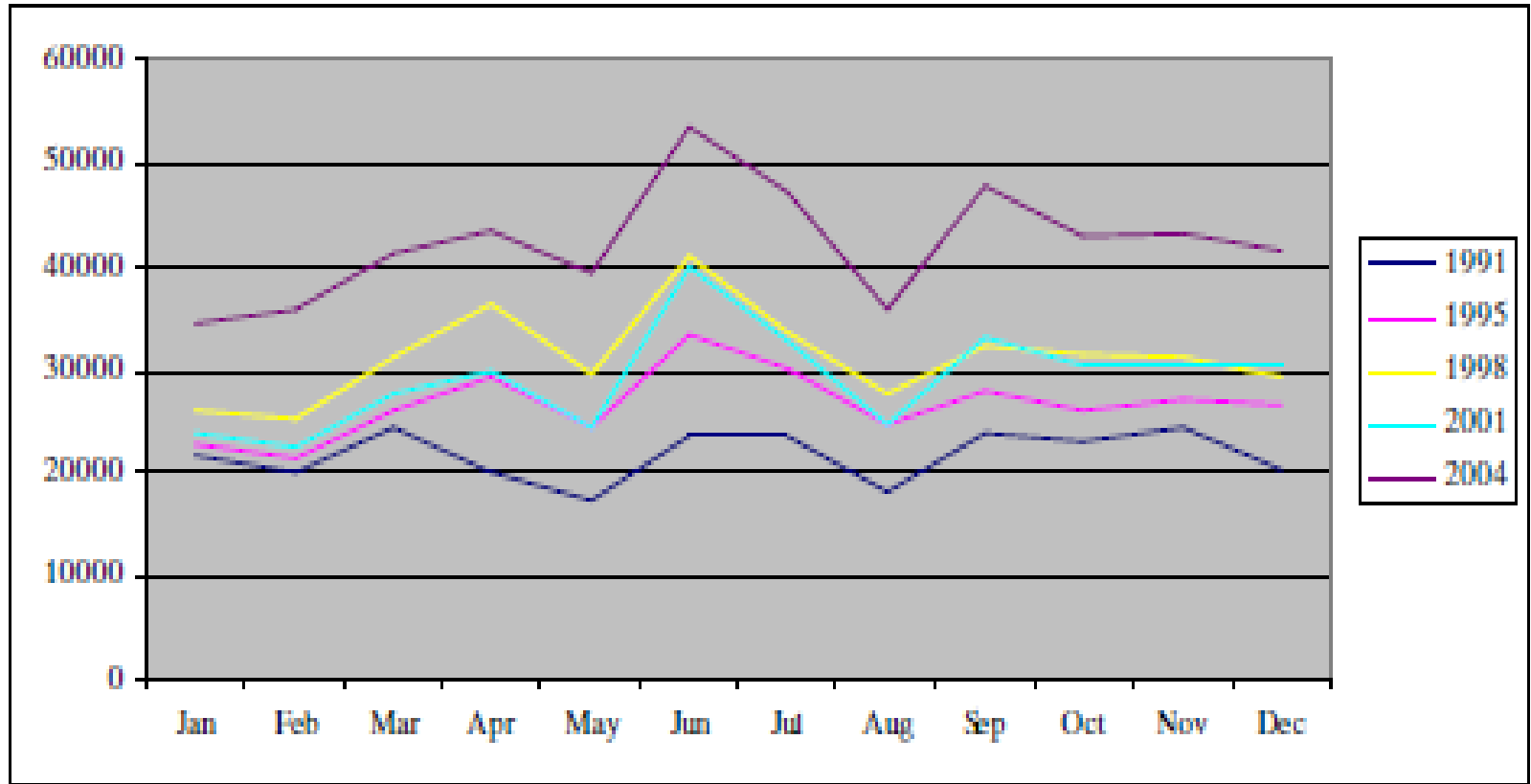
(Source: Richard Veit 2009)

Market Opportunity – Tourism Sector

- Hoteliers imported large amount of fruits and vegetables – *due to lack of consistent supply and quality from local producers;*
- Approx. F\$30million (US\$18million) spent annually on importing food products for the Tourism sector – that could be grown in Fiji; although 47% of hotel purchases were from local providers . ***This represents a large market opportunity available to local producers to provide to the specifications of the tourism sector***

(Berno 2006)

Monthly Tourist Arrival (1991-2004)



Source: Fiji Island Bureau of Statistics – Key Statistics

Note: Tourism industry peaks during the months of June and July; period coincides with school holidays in NZ and Eastern States of Australia. Remain high into the Christmas season

Why Import?

- Quality – highest grade, in packages far better suited in terms of capacity and type, compared to those employed locally;
- Appropriate storage and transport facilities;
- Consistency in supply, and ability to meet unexpected client's demand;
- Deliver directly to the premises

What is needed in the domestic industry to attract the custom of mid-range and high-end establishments:

- More investment is required in:
 - i) MORE EFFICIENT PRACTICES*
 - ii) BETTER STORAGE FACILITIES, AND*
 - iii) BETTER TRANSPORTATION FACILITIES*

Tourism Sector – Demand based on hotel size

I. Smaller establishments eg. backpackers

- i. Prefer to use local produce, due to tight budget restrictions;
- ii. Prefer to visit local municipal markets, and not delivery to the premises;
- iii. Menu are geared to the seasonal nature of fresh produce in Fiji.

2. Larger hotels:

- i. Prefer to import
- ii. Menus reflect taste preferences overseas eg. Increased use of traditional root crops, less potatoes.

(Richard Veit 2009)

Farmer Constraints

- **Agro-inputs are not easily accessible**
- **Lack of awareness of what is available and/or offered by the Ministry of Agriculture in terms of support/assistance**
- **Access to finance**
 - Farmers attempted to access loans from financial institutions but had been turned down due to:
 - ❖ Lack of ownership of the land, particularly among farmers operating on 'mataqali' land;
 - ❖ The pending expiry of current land leases;
 - ❖ An inability to gather all necessary documentation/complete application forms;
 - ❖ The high risk of flooding in the farm land
- **Few farmers have immediate access to equipment, such as tractors and vehicles, but must rely on sharing or renting from others in the same area.**

Other Gaps to be Addressed

- Distrust between the Agriculture and Tourism sectors, and weak cooperation;
- Tourism sector criticized the agriculture sector for its inability to address tourist taste preferences, and for failure in the supply of high quality produce throughout the years;
- Agriculture sector, blame the Tourism sector for its reluctance to adapt menus to take seasonality into account for its lack of promotion of Fiji Produce.

Potential Areas of Linkages

- To service the tourist market, farmers or local producers need to find competitive and profitable ways to meet tourism industry demand for **volume, quality, regularity and safety requirements.**
- The ability of local agrifood systems to meet these requirements depends both on:
 - agriculture supply factors (natural resource base, farming systems in place, agro-processing and marketing capacity); and
 - the kind of tourism development, which can be mass tourism, high-end niche, health and wellness, eco-tourism etc.
- Furthermore, the exposure of tourists to specific local products could also help export market penetration; when return home tourists help build a domestic demand. Examples for market penetration include red papaya in Fiji, beef from Vanuatu.

Proposed Way Forward

STRATEGIES /ACTION PLAN FOR FARMERS CAPACITY NEEDS ACCESSING TOURISM MARKETS

1. Business and Finance Training

- Pricing, budgeting
- General training on economics of supply and demand (domestic markets/tourism markets / export markets)
- Marketing based on quality standards and selling by weight
- Profit Estimation using a value-chain approach
- Awareness of agri-finance products.

2. Food Safety Technology

- Food safety training for on-farm and post-harvest handling and packaging and transportation (Hazard Analysis and Critical Control Points HACCP)
- Training on food packaging treatment processes to increase market access (e.g. heat treatment for fruit fly).
- Targeted investment in production (i.e. equipment, mechanisation processes, irrigation, on-farm technology and packaging and cold storage) that improves reliability and quality of supply to tourism operators

3. Market Information Systems and ICT

- Awareness and shared learnings of MIS and ICT technologies to assist productions, research and markets;
 - e.g. SMS messages of daily average market prices
 - e.g. Website selling such as daily photos of farmer produce available & price and orders placed 'on-line'.

4. Planning, Extension & Training

- Tools for sharing value chain information –
 - crop calendars (growing season, off-season)
 - forecast production schedules (by farm, by area, by island etc). Undertake specific crop supply/demand analysis eg. carrots, lettuces, capsicum, tomatoes, watermelon etc., based on typical monthly tourism visitors.

5. Analyse current gaps in extension services and explore more cost effective extension models (including private sector/commercial models) to deliver targeted technical assistance/training to Industry Groups/clusters/lead farmers to enhance production including:

- Agribusiness management, financial planning and pricing
- Seed and crop varieties

Cont.

- Organic farming , Pest control, Crop varieties and production techniques
- Seasonality extension, yield enhancement and quality control
- Production technology, equipment and production techniques
- Post-harvest handing. storage and crop storage
- **Hotel and restaurant quality standards and purchasing procedures**

6. Developing tourist attractions and encouraging visitors to come to farms

- Planning for visitors and processes for managing visitors to farms and processing facilities
- Managing hazards and risks to visitors
- Linking directly with tourism in-bound operators

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(6) Scaling up, networking and forming partnerships

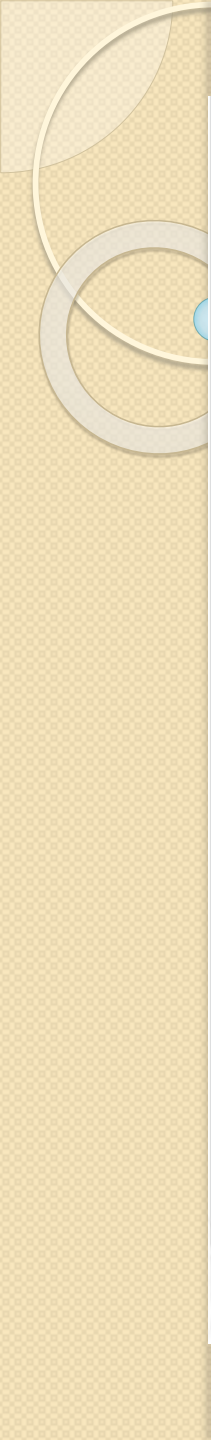
- Models of working together and contract farming (*FCLC has been conducting 'contract farming training' funded by FAO*);
- Organisation of farmers for better sharing of information e.g. registration of farmers; identification of specialist growers (eg. *FCLC Fiji Farmers Database*);
- Developing collective grading and packaging facilities (NSP 2016-2020 of Ministry of Agriculture)
- Networking events with hotels, restaurants

Conclusion

- **Great Potentials and Opportunities for Farmers and Livestock Farmers to supply the Tourism sector , subject to :**
 1. Gaps identified be resolved at Govt. level – right policies and regulations
 - Develop policy framework to establish/strengthen the linkages between Agriculture and Tourism Industries;
 - Conduct follow up research using tourist travel motivation survey, also serve as basis of developing ‘needs based strategies’;
 - Establish a *National Facilitation Committee/Agency for Agro-Tourism development in Fiji (FCATD)*; and
 - Conduct an Agro-Tourism awareness drive.
 2. Farmers groups/clusters – to be supported by the Ministry of Agriculture, and key govt. ministries
 1. Access relevant information
 2. Capacity building – farming best practice to improve post-harvest requirements, quality compliance (*FAFASS – Fiji Agriculture Fora for Advisory Services - improve agriculture extension services*)
 3. Cluster or formally structure farmers – economies of scale, minimise transport costs, and better organised (*Fiji Crop Livestock Council role, in coordination with the Ministry of Agriculture*)



BUILDING A WINNING TEAM THROUGH PARTNERSHIP



TEAM BUILDING

Team:

A small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable



Characteristics of the Winning Team

- a commitment to common objectives
- defined roles and responsibilities
- effective decision systems, communication and work procedures
- good personal relationships
- visible

Ingredients For a Successful Team

- 1. Clear Goals
- 2. Defined Roles
- 3. Open and Clear Communication
- 4. Effective Decision Making
- 5. Managed Conflict
- 6. Valued Diversity
- 7. Balanced Participation
- 8. Positive Atmosphere
- 9. Cooperative Relationships
- 10. Participative Leadership

THANK YOU

