



THE FIJIAN GOVERNMENT



Pacific
Community
Communauté
du Pacifique



FIJI AGRITOURISM POLICY SETTING WORKSHOP

**Policy setting for improved linkages between agriculture, trade and tourism:
Strengthening the local Agrifood sector and promoting healthy food in Agritourism**

Workshop organised by the Government of Fiji

In collaboration with and Pacific Community, CTA, PIPSO and SPTO

Nadi, 23rd February 2018, Fiji

Suva, 26th February 2018, Fiji

1. Background

Promoting linkages between agriculture and tourism-related markets for improved food and nutrition security

Tourism is the lifeblood of many Pacific economies and agritourism provides a promising avenue for diversification and trade growth. High quality, nutritious and healthy food, available every day of the year, is critical to hotels, lodges and resorts. Often the food purchasing bill of a tourism site is large in comparison to the size of the local economy, yet surprisingly little of this is spent locally, even when supplies are available from farmers, fishermen and small-scale agribusinesses. The challenges of shifting food-sourcing to local suppliers are considerable – achieving this in a way that meets commercial needs and customer preferences, and meets food and safety requirements, would be one way in which tourism operations can significantly increase their contribution to local economic development.

Tourism has the potential to stimulate demand in the agriculture sector, promote healthy and nutritious food and strengthen the use of local products, so it is important to create linkages between the two, and to develop a policy on agritourism. In addition to the strong economic value of developing a sustainable tourism sector, enhancing the linkages between tourism and agriculture represents an important potential mechanism to stimulate and strengthen traditional local producers and processors and to improve the distribution of benefits along the chain as well as generate investment incentives for local production. The trade policy environment should be more favourable to the private sector and investment, while supporting local entrepreneurs and SMEs through appropriate measures that address import substitution, notably in the form of tariff and non-tariff barriers.

Linkages between agriculture, health and tourism not only potentially increase opportunities for domestic agriculture earnings, new markets and product development and therefore sustainable economic growth, but also offer opportunities to help develop visitor attractions and distinctive tourism destination brands through the creative use and marketing of local produce and production techniques, and use of local landscapes. In order to acquire these benefits, the tourism industry needs to be proactive in utilizing local, high quality, healthy and niche agricultural products in touristic sites and events.

Fiji has 40% of the market share in the Pacific Tourism market and it is the biggest tourist destination. Tourist arrivals is almost hitting the one million mark. It has natural and cultural potential to develop its tourist market further by diversifying its tourism policy and strengthening its linkages with the agriculture industry. This will increase resilience of food systems and incomes for rural communities. A policy on agritourism will also develop linkages with the health sector ensuring that it supports national campaigns towards nutritious and healthy food (embedded in the concept of quality food referred above).

2. Context

The first Pacific Agribusiness Forum on *Linking the agrifood sector to the tourism-related markets* was held on 1-3 July 2015 in Denarau as part of the *Pacific Agritourism Week*, and organised by the Pacific Islands Private Sector Organisation (PIPSO), the Secretariat of the Pacific Community's (SPC) and the ACP-EU Technical Centre for Agricultural and Rural Cooperation (CTA). It highlighted successes in strengthening links between agriculture and tourism industries in the Pacific region. A major challenge identified was the lack of favourable policies in place to encourage linkages between agriculture, tourism and trade policies and the need to design and develop agritourism policies, which would facilitate those linkages at national and regional levels. An added element is to link with Health Ministry to promote quality products and healthy food as niche markets.

The Forum recommended the support of technical assistance to agribusinesses to support its linkages to the tourism industry. A feasibility study was supported by CTA and SPC for Joe's Farms Limited on the establishment of collection centers in rural areas for farmers. This feasibility study has been completed and Joes Farm's Ltd has started building collections centres.

Two consultative national agritourism policy setting workshops were organised in [Vanuatu](#) and [Samoa](#) which led to concrete policy measures. Private and public partnerships are being developed aimed at increasing investment in tourism markets through chain efficiency. In view of the positive experience of Vanuatu and Samoa and the greater opportunities in agriculture and tourism in Fiji, the Government of Fiji in collaboration with the development partners is supporting an Agritourism policy-setting for Fiji, which will develop further linkages between agriculture, trade and tourism sectors to support local businesses in serving tourism-related markets.

3. Agriculture and Tourism: Enhancing the Strategic Partnership

Agriculture is one of Fiji's key economic sectors and contributes around 28% of total employment in the formal sector, and indirectly employs many more. This sector, which was once a major stronghold of Fiji's economy, is the third largest now, contributing \$451 million (9%) annually to the nations GDP. Sugarcane, which used to dominate the sector now only contributes 0.9% and has been surpassed by other crops, horticulture, and livestock production and subsistence sector.

Agriculture has potential in other sectors such as tourism and agro-industries and as a major economic activity in the rural areas; agriculture plays an important role in the process of rural development. Having a rich resource base and tropical climate, Fiji has an advantage in producing a wide variety of tropical fruits and vegetables given Fiji's fast expanding tourism sector, agricultural growth is necessary to supply high local hotel demand. Thus, the potential for Fiji's agriculture sector is in production for local consumption, export of high value commodities and niche agricultural produce.

Potential for Fiji is found in the production and export of high value niche agricultural produce. The pristine environment, on which agricultural production takes place braced by other environmental and ecological factors, supports organic produce. This is a major development in the fresh food market worldwide and provides lucrative opportunities to investors and stakeholders. Potential commodities for value added processing include; papaya, tomatoes, pineapple, coconut, duruka, mango, chillies, banana, cassava, taro, breadfruit, sweet potatoes, ginger, cocoa and dairy.

Tourism is a key industry in Fiji's economy. The tourism industry has contributed significantly to Fiji's economy and is the country's largest foreign exchange earner. The direct contribution of tourism to Fiji's GDP has increased from an average of 3.0 percent in 1980-1990s to 6.4 percent of GDP in 2011-2016. This was measured through the accommodation and food services activities sector. It includes short-term accommodation activities of hotels, resorts, food and beverage serving activities.

The tourism industry's combined direct and indirect contributions to GDP averaged above 30 percent over the past seven years. This industry also provides direct and indirect employment to an estimated 45,000 people. The industry creates a multiplier effect in the local economy and supports business activity and livelihoods of many people working in many other industries such as agriculture and transport. In 2010, earnings from tourism crossed the billion-dollar mark at \$1.2 billion. For the 2011-2015 period, gross earnings from the tourism industry averaged around \$1.4 billion. Last year, tourism earnings grew further to around \$1.6 billion, equivalent to 16.0 percent of GDP. (RBF 2016)

While Fiji's agriculture and tourism are the two key sectors in the economy, surveys carried shows that a lot of food used in the Tourism industry are still imported. Martin (2011) highlighted that the Fiji Visitors Bureau identified 343 hotels, hostels and resorts in Fiji. Young and Vinning (2007) estimated that at present, 80% of fruits and vegetables consumed by the tourism sector are imported. In 2006, the Fiji tourism industry imported FJ\$35 million in vegetables alone. (Loze and Low 2008). This is despite the fact that local vegetables are cheaper than imported ones during the middle winter months of the year.

Some of the key issues which need to be considered in developing agritourism linkage policy in Fiji are as follows:

At the level of the Public Sector, agritourism linkages need to be prioritized through:

- Multisectoral approaches: Agriculture (including fisheries), trade, health, environment and tourism policies are developed separately from each other and very few linkages are identified or pursued.
- Promoting quality food: the nature of island economies having limited land availability justifies focusing on quality and healthy food which contributes to food and nutrition security of local and foreign tourists.
- Branding: there is a need for public campaigns to brand Fiji as a unique tourist destination with a strong food and culinary offer. Awareness campaigns should target consumers (locals and tourists) on the various uses and benefits of local products (providing information on nutrition and health characteristics).
- Support to farmer's organisations production and marketing capacity: There is a need to create new opportunities for women and youth farmers, families and communities in promoting the use of local food.
- Support for coastal fisheries community to support the quality supplies of seafood and assist the women involved in fisheries
- Increased setting up/compliance of food safety regulations is needed to strengthen the reputation of the health and nutrition quality of local foods. Rating system for food health will reassure tourists.
- Education programmes, which feature the various dimensions in the use of local food need to be, strengthened which include the nutritional value.
- Promoting access to affordable ICTs and platforms, particularly with respect to the types of crops planted and available, fisheries products, processing companies and available products, disaggregated demand from local fresh market and distribution sectors, and from hospitality, tourism, and airlines, artisanal actors and their products, level of exports, *inter alia*.

Private sector has a significant role to play in agritourism development

- There is a need for a collaborative effort by the private sector actors (including farmers' networks, processors, artisans, service providers and investors) to work with the various

ministries to put in place policies and strategies that bring together the tourism and agriculture industries.

- Farmers' and fisherfolk organisations need to be strengthened and linked with the agribusiness and craft industries to add value to products.
- SMEs need to focus on product development, product differentiation, marketing and branding to add value to their fresh and processed products. They also need to invest in technology and research to develop their products successfully.
- Developing/strengthening niche markets: Organics, fair trade and origin-linked products can provide a comparative advantage for Fiji.
- Multi-stakeholder national platforms need to be established to influence policy bringing the various perspectives from agriculture, trade, health, tourism.

4. Goal and Objectives of the workshops

Goal: To promote sustainable use of local food by the tourism industry through strengthened intersectoral policies.

Objectives:

- To promote linkages between the agrifood sector and the tourism industry to increase sustainable local sourcing through a developed agritourism policy in Fiji
- To increase the understanding and awareness of the current deficiencies in the supply of produce along the value chain and the actions needed
- To design inter-sectoral and inclusive policies which promote PPPs for improved local food use and consumption.
- To identify concrete projects that can be supported under the intra ACP EU funding.
- To contribute to the Pacific regional agritourism strategy.

In view of the importance of the tourism and agriculture sector in Fiji and the number of public and private players in the ground, we will hold two consultative meetings in Nadi and Suva.

5. Participants

Government officials from Agriculture, Trade and Tourism Ministries, private sector, farmers, agro producers, chefs and actors from the hospitality sector, civil society and academia. International and regional partners will also share their experience.

6. Partners

The policy process is led by the Ministry of Agriculture, Trade and Tourism of Fiji in close collaboration with the other ministries. Regional and international partners include SPC, CTA PIPSO and SPTO.

7. Expected results

- A better common understanding of the opportunities in agritourism in Fiji
- A platform promoting linkages between Agriculture and Tourism is established
- Priority areas for development and support under the intra ACP funding are identified
- A Fiji Agritourism Policy and the framework to implement the policy are designed
- The main elements of the Strategy/policy on agritourism are developed and validated by the multi-sectoral focus group.