

Building Our Economy for Future Generations



**Economic Services Sector
2018-2019 Budget Kit**



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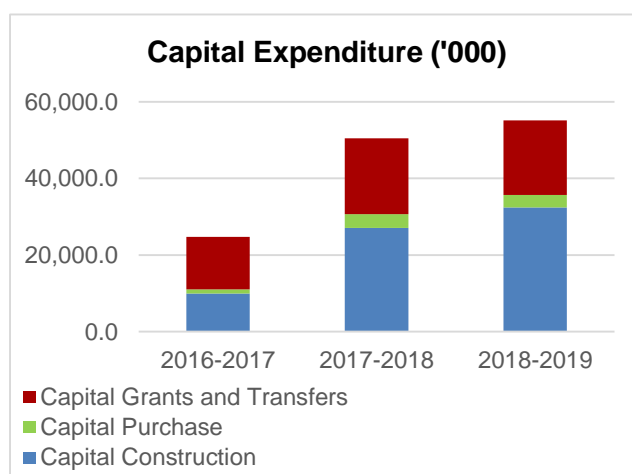
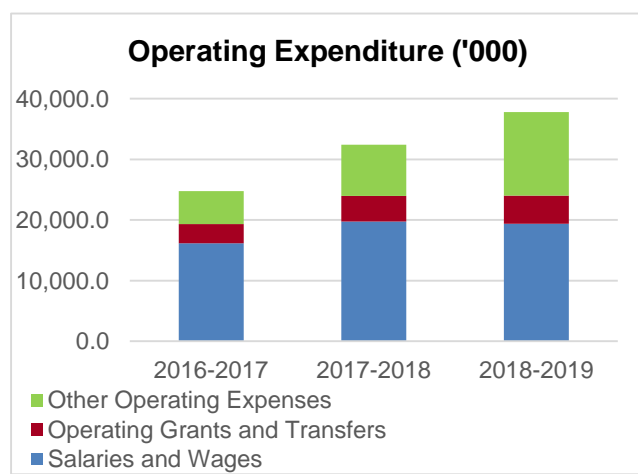
The Fijian Government Ministry of Agriculture 2018-2019 Budget Highlights

Agriculture is an important facet of the Fijian economy, accounting for around 9.5% of Fiji's total GDP. Further, its impact on our society is immeasurable; the sector sustains Fijians' wellbeing, fuels livelihoods in rural areas of the country and puts food on the table of families throughout Fiji.

The Ministry of Agriculture is responsible for providing support to Fijian farmers (with sugarcane farmers supported separately by the Ministry of Sugar Industry), and for helping them adapt to changing markets and climate change. The Ministry's approach is wide-reaching, from administering technical crop and livestock extension services, to conducting new research to develop innovative solutions to the challenges faced by Fiji's agriculture sector— both of which will be an emphasis in the 2018-19 fiscal year.

Government's agriculture policy seeks to boost Fiji's food security by cultivating a domestic market with sufficient crops and livestock to affordably feed the population. By relying less on foreign agricultural imports, Fijian families will be at less risk of being affected by dramatic swings in a wide variety of global food prices, from meat products to vegetables. At the same time, Government is working to increase international demand for Fijian-grown products.

The total budget for the Ministry of Agriculture in 2018-2019 is **\$96.8 million**, comprising **\$37.8 million** for operating expenditure, **\$55.0 million** for capital expenditure and VAT of **\$4.0 million**.



The increase of **\$10.5 million** in the Ministry's 2018-2019 Budget is mainly attributed to:

- an increase in operating expenditure due to development assistance from the European Union to support sustainable rural livelihoods, enhance support for the Fiji Crop and Livestock Council, and launch an eradication programme for the coconut rhinoceros beetle;
- an increase in capital expenditure allocations for the modernisation of research facilities for tree crops, construction of cold storage facilities for farm produce, and new commodity development programmes to help support Fiji's pineapple, pig, goat and poultry farmers, bolstering our nation's food security.

New Initiatives

- \$200,000 is allocated for pineapple development to support the provision of agro-inputs, planting materials and farm implements to farmers.
- \$750,000 is allocated for the construction of cold storage facilities for fruits, vegetables and root crops to enable farmers to better market their produce for longer periods, increasing their revenue and reducing food waste. Construction will begin in 2018-2019 on two facilities in Kavanagasau and Nukuloa allowing farmers in these areas to maintain and sell fresh produce.
- \$200,000 is allocated for piggery extension services to support farmers by developing farms, providing better nutrition, and improving breeding to increase the supply of high-quality pork in the Fijian marketplace.
- \$100,000 is allocated for poultry extension services to support development of broiler farms and smallholder duck farms, including the provision of incubation units and egg grading machines.
- \$200,000 is allocated for goat extension development to supply quality breeding stock to cluster groups and commercial goat farms. A further \$1,000,000 is allocated to establish Fiji's goat meat industry through the provision of services and infrastructural development, aimed to further improve the supply of affordable, quality goat meat to the market.
- \$1,000,000 is allocated for the development of brucellosis-free farms to support the replacement of infected dairy cattle with healthy stock at no cost to farmers.

- \$5.5 million is allocated to account for development assistance from the European Union under the 11th European Development Fund to support sustainable rural livelihoods in the agriculture sector.

Ongoing Initiatives

The Ministry operates through five different divisions that oversee the various allocations assigned in a fiscal year: Policy Administration; Extension Services; Crop Extension; Livestock Extension; and Research.

- Policy and Administration:
 - Committee on Better Utilisation of Land (CBUL): supports work on the renewal of expiring agricultural leases and improves access to land for productive purposes (\$7.8 million).
 - Agriculture Marketing Authority (AMA) Capital Grant: delivers services to farmers that focus on the provision of a stable market and the procurement of crops such as fruits, vegetables, dalo, yaqona, yams, and coconuts, along with marine products such as fish and seaweed at the farm gate (\$5.6 million).
 - The Fiji Agricultural Partnership Project: working to engage small-scale producers in sustainable farming and business partnerships in remote areas, particularly for Fijians in highland communities, through a loan-funded project with the U.N. International Fund for Agriculture Development (\$2.3 million).
 - Crop Insurance Scheme: the Ministry will continue working with industry stakeholders and the financial services sector to explore the introduction of crop insurance (\$350,000).
- Crop Administration:
 - Maintenance of Existing Rural Office and Staff Quarters: supports the periodic maintenance and upgrading of the existing agriculture buildings, offices and institutional quarters around Fiji (\$1.5 million).

- Ongoing Cyclone Rehabilitation and Maintenance of Existing Rural Offices and Staff Quarters: undertakes rehabilitation works on infrastructure that sustained damage during TC Winston, TC Gita, TC Josie and TC Keni that will be rebuilt to a higher standard. This includes the completion of works on agriculture stations and quarters at Dobuilevu, Nanukulua and Nabouwalu and other facilities (\$3.1 million).
- Crop Extension Services:
 - Agriculture Extension Services – Crops: improves awareness of the Ministry's services for farmers and ensures more effective programmes for supporting crop commodities (\$1.0 million).
 - Support for Revitalisation of Key Crop Commodities: covers the support to increase cultivation of rice (\$1.0 million), ginger (\$1.3 million), coconuts (\$750,000) cocoa (\$550,000), vanilla (\$260,000), dalo (\$800,000), yaqona (\$500,000) and potatoes (\$300,000).
 - Agro Input Subsidy: ensures that farmers have access to affordable agro inputs and lower production costs at the farm level (\$1.0 million).
 - Export Promotion Programme: strengthens commercial agriculture development through continued support for crops that have been identified as having a high potential to do well in the export market (\$1.0 million).
 - Food Security Programme: provides continued support for selected locally-produced fruits and vegetables for food security purposes, with a broader aim of reducing imports and creating livelihood opportunities for rural communities (\$1.0 million).
 - Rural and Outer Island Agricultural Development Programme: supports the expansion of crop and livestock agribusiness in remote rural areas and outer islands (\$1.5 million).
 - Land Clearing: supports the expansion of production areas through the clearing of trees and vegetation within the proximity of existing farming areas. Government will provide machinery such as diggers, excavators and tractors to undertake land clearance, drainage works and land preparations (\$1.5 million).

- Flatland Development: funds land preparations on flatland in the Rewa delta, Tailevu South, Muaniweni, Baulevu and Soloira to expand production areas for farmers (\$750,000).
- Farm Access Roads: supports the upgrading of existing farm access roads to facilitate the transportation of inputs to farms and agricultural produce to market, and link agricultural production areas to national highways and other roads (\$2.5 million).
- Sigatoka Valley Development Programme: carries out infrastructure upgrading within Fiji's farm-dense "salad bowl" (Sigatoka) and surrounding areas to support production of selected root crops, fruits and vegetable crops, especially those under the Bilateral Quarantine Agreement (\$300,000).
- Nadarivatu Development Programme: funds infrastructure development to support the expansion of crop production and market access in the interior of Savatu, Nadrau and Nabobuco in Nadarivatu (\$350,000).
- Saivou Valley Agriculture Development Programme: carries out infrastructure development to support production and market access in the interior of Nakorotubu, Nalawa, Saivou and Rakiraki in Ra (\$387,000).
- Rotuma Island Development Project: provides training, distributes planting materials and farm implements and establishes nurseries to support food security and commercial agriculture development on the Island of Rotuma (\$100,000).
- Farm Mechanisation: supports the adoption of a mechanisation in agriculture through the provision of tractors, diggers and excavators to farmers at affordable rates (\$1.54 million).
- Agro Processors Infrastructure Support: covers assistance for infrastructure development such as the establishment of pack houses or cool storage facilities for processors and farmer organisations (\$1.0 million).
- Management of Pests: provides resources for the reduction and eradication of pest infestation of agricultural produce. Additional funding of \$200,000 is allocated in 2018-

2019 for a coconut rhinoceros beetle eradication programme in copra production areas around Fiji (\$350,000).

- Crops Research:

- Infrastructure Improvement for Research Stations: supports improvements to existing buildings and infrastructure at various research stations (\$500,000).
- Agriculture Research Services (Tree Crops): supports improvements to orchards at research stations at Naduruloulou, Taveuni and Wainigata and expansion of the research programme on coconuts and cocoa to other tree crops like breadfruit, dawa, ivi, kavika and vutu (\$1.0 million).
- Agriculture Research Services (Root Crops): provides Fiji's root crop industry, including priority commodities such as dalo, cassava, kumala, yams, ginger and other minor root crops such as dalo ni tana, with technical and professional research & development (\$500,000).
- Agriculture Research Services (Horticulture): introduces and evaluates fruits, potatoes, pulses, assorted vegetables and maize varieties. The research helps identify which varieties are most likely to thrive in Fiji, allowing future plantings that will enhance exports and income generation for farmers (\$500,000).
- Rice Research and Development: investigates, generates and develops appropriate rice cultural management practices and production technologies to raise yield potentials, improve grain quality and reduce costs of production through Research and Development (\$200,000).
- Mushroom Research and Development: facilitates the research and promotion of mushroom currently being conducted by the Chinese Government at the Legalega Research Station, especially in researching other varieties of mushroom (\$300,000).
- Development of Seed and Planting Materials: facilitates mass production of seeds and planting materials for agricultural commodities/varieties that are currently produced at Research Stations and commercially available (\$750,000).

- Construction of Agronomy Building – Phase 1: covers the start of construction for a new agronomy lab that will have modern facilities for plant breeding and other required field testing (\$800,000).
- Purchase of Equipment – Agricultural Chemistry Lab: provides continued support for annual procurement of testing equipment and chemicals (\$380,000).
- Purchase of Equipment – Molecular Diagnostic Laboratory: provides continued support for the annual procurement of testing equipment and chemicals (\$380,000).
- Upgrade of Plant Tissue Culture Lab: provides support for the planned accreditation of the Plant Tissue Culture Lab at Koronivia Research Station (\$300,000).
- Livestock Extension:
 - Agriculture Extension Services – Livestock: improves awareness of Ministry's services for farmers and ensures more effective programmes supporting livestock commodities (\$800,000).
 - Support for Livestock Commodities: supports farmers with farm development assistance like fencing, shed and pasture improvement and equipment for sheep (\$300,000), beef (\$500,000) and honeybees (\$600,000).
 - BTEC Programme for Disease Surveillance: creates a healthier cattle population in Fiji by working to eradicate diseases like brucellosis and tuberculosis from Fiji's cattle industry. This includes compensation for farmers whose livestock are affected (\$2.8 million).
 - Dairy Development Programme: a grant to Fiji Cooperative Dairy Company Limited to cover milk cartage costs from farms to chilling centres and fodder development to help dairy farmers boost their milk production capacity, helping to cultivate a dairy industry in Fiji that is insulated from global price swings (\$1.0 million).
 - Stray Animals Control Campaign: supports the nationwide campaign to reduce the number of stray animals and livestock, which often cause widespread damage to farmland, threaten livestock and can cause road accidents (\$1.0 million).

- Livestock Feed Technology: addresses the nutrition of livestock for meat, milk and egg production. This involves formulation and processing of different diets and rations using locally-available animal by-products and agro industrial by-products for feeding various types and classes of livestock reared under different production systems in Fiji (\$100,000).
- Livestock Research:
 - Livestock Rehabilitation Programme: intends to develop a modern dairy and beef industry through introduction of biotechnology, including an embryo transfer technology programme to improve genetics. This will develop higher quality breeds that will increase both beef and milk production, and rehabilitate the industry due to the losses through brucellosis and tuberculosis (\$1.5 million).
 - Veterinary Pathology Lab Upgrade: supports continued capital upgrading of the laboratory at the Koronivia Research Station to improve the facility to meet international standards (\$300,000).
 - Sheep Breeding Programme: designed to tap into the market potential of Fiji's unique and high-quality breed of sheep, "Fiji Fantastic", by stimulating breeding numbers. The programme is centred at four sheep research stations namely Nawaicoba, Seaqaqa, Batiri and Mua (\$600,000).
 - Beef Breeding Programme: aims to produce genetically superior beef breeds that adapt well to the prevailing climatic conditions with prolific traits (\$800,000).
 - Poultry Breeding Programme: supports research and development activities on poultry species for cultivation of more resilient breeds and production of quality broiler day-old chicks for farmers for food security, income generation and reacting towards climate change issues (\$500,000).
 - Pig Breeding Programme: conducts farmer-based constraint research and maintains breeding of high-quality pig breeds to ensure they are readily available for supply to farmers for the upgrading of their pig genetics, which should in turn enhance farm production and productivity (\$350,000).



The Fijian Government

Ministry of Fisheries

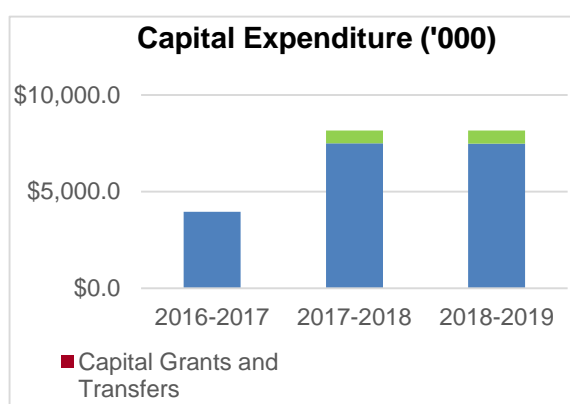
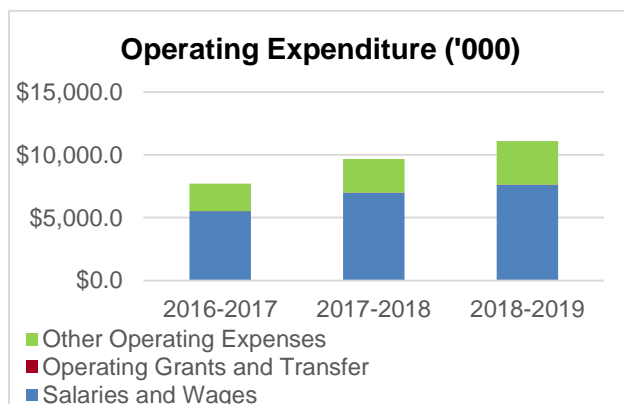
2018-2019 Budget Highlights

The Fisheries Sector is the nation's second leading primary-resource-based sector. Fijian fisheries are a key contributor to social and economic development, marine resource management and the conservation of our ocean life.

The Ministry of Fisheries is the regulatory and service organisation responsible for national fisheries management through the administration and enforcement of national fisheries policies, programmes and projects. In this regard, the Ministry ensures that Fiji is able to meet its international obligations relating to marine resources. The Ministry provides efficient and effective fisheries extension services delivery to fishing communities and other stakeholders. This includes applied marine resource research to foster and promote marine resource commodity development for income generation, food security and sustainable management practices.

A major priority for the Ministry is to strengthen monitoring and surveillance systems, including an increase in patrols, to eliminate unlicensed and undersized fishing. A study will be carried out to assess the gaps in these systems and determine the most effective and feasible option to reduce and eliminate illegal fishing.

The total budget for the Ministry of Fisheries in 2018-2019 is **\$20.5 million**, comprising **\$11.3 million** for operating expenditure, **\$8.2 million** for capital expenditure and VAT of **\$1.0 million**.



The increase of **\$1.7 million** in the Ministry's 2018-2019 Budget is mainly attributed to increases in worker salaries as part of Government's civil service reforms, and also to support the operations of research stations, hatcheries and ice plants around Fiji.

New Initiatives

- \$500,000 is allocated to provide assistance to commercial aquaculture (shrimp and prawn) farmers.
- \$450,000 is allocated for the procurement of a new ice machine for the Ba Ice Plant, which will greatly improve the ease of business and increase revenue for the many fishermen in the region.

Ongoing Initiatives

- Supporting the sustainable growth of aquaculture industries through:
 - Aquaculture Development Programme: supports the expansion of aquaculture through infrastructural upgrade of Naduruloulou Hatchery, Ba and Sigatoka Hatchery and the rehabilitation of Dreketi Hatchery, along with farmer training and awareness at the community level (\$350,000).
 - Brackishwater Development Programme: funds infrastructure development at Galoa Station to ensure consistent supply of postlarvae to current shrimp farmers and those Fijians interested in entering into shrimp farming. Funds will also cover the training and advisory support provided to local farmers on proper shrimp farming, allowing them to make the most of their businesses (\$380,000).
 - Seaweed Development Programme: supports commercial seaweed production and provides a sustainable, income-generating venture for rural coastal and maritime communities (\$259,225).
 - Ongoing Construction of Multi-Species Hatchery – Ra: funds the ongoing upgrade of the hatchery to support the supply of tilapia fingerlings and prawn fry to farmers in the Western Division, greatly bolstering the area's seafood farming industry (\$783,769).

- Food Security Program – Aquaculture: subsidy support on a 1/3, 2/3 basis provided by Government to assist farmers to develop sustainable aquaculture farms (\$300,000).
- Providing more efficient and expansive advisory services on inshore/coastal fisheries through:
 - Construction of Ice Plants: funds the construction of ice plant facilities, including the office and quarters at Wainigadru, Moala and Cicia (\$1.8 million).
 - Coastal Fisheries Development: strengthens inshore fisheries development in the maritime and coastal communities by providing advisory services to fishermen on quality control, fish handling and marketing, deployment of Fish Aggregate Devices (FAD), and engine repair, along with compiling and collating of inshore data and outboard engines (\$772,380).
 - Upgrade of Lekutu Fisheries Station: funds the completion of the upgrade for cold storage and fishing area facilities (\$279,000).
 - Purchase of Aluminium Boats: supports the ongoing procurement of aluminium boats to support the Ministry's operations (\$225,000).
- Supporting extensive research and resource assessment on fish commodities and products through:
 - Makogai Mariculture Development Centre: funds purchase of equipment for the Centre, including reseeding and spawning equipment, and training and awareness for local fishermen (\$300,000).
 - Pearl Oyster Research and Development: supports the development of Fiji's Pearl Farming Industry by conducting feasibility surveys of potential spat collection sites, procuring spat materials, conducting training on spat collector farming and business planning, harvesting of spat from community based farms, the development of the spat/pearl database and the review of the draft Pearl Management Plan (\$295,200).

- Marine Resource Inventory Survey: funds the survey of iQoligoli to provide data for management plans that will assist and inform resource owners on sustainable fishing practices (\$300,000).
- Ongoing Cyclone Rehabilitation of Fisheries Office and Quarters: undertakes rehabilitation works on infrastructure damaged during TC Winston, TC Gita, TC Keni and TC Josie that will rebuild infrastructure to a higher standard (\$315,000).
- Ongoing Upgrade of Institutional Office and Quarters: carries out upgrading works at the Ministry's Naduruloulou, Sigatoka, Lami and Wainibokasi stations (\$400,000).



The Fijian Government

Ministry of Forests

2018-2019 Budget Highlights

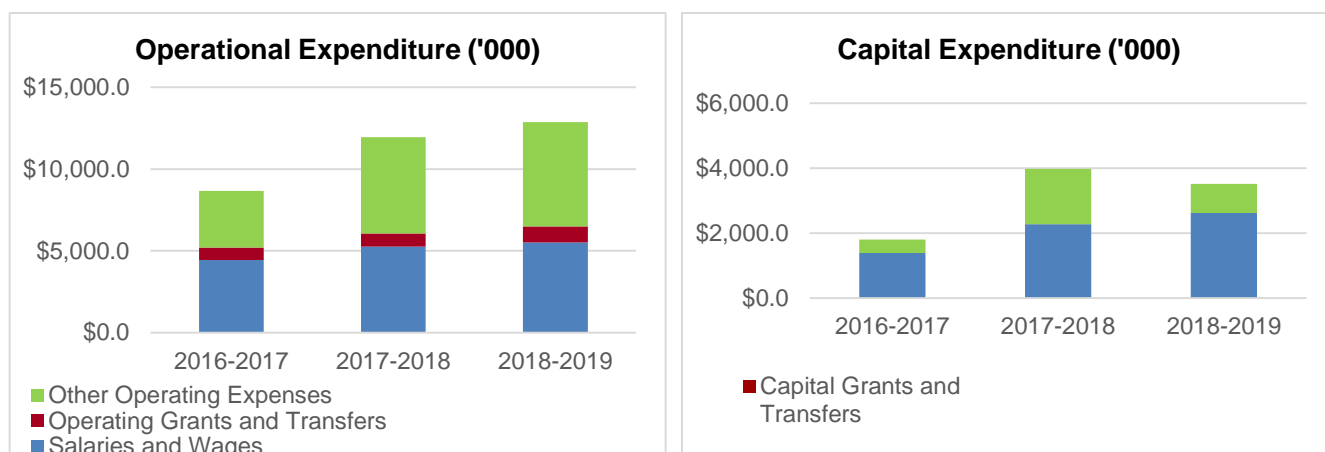
By working with industry partners, landowners and the general public to effectively manage Fiji's forests, the Ministry of Forests is responsible for promoting the sustainable use of Fiji's forestry resources.

Striking a balance of both economic and environmental sustainability is at the core of the Ministry's mission. This is actively being achieved through prudent oversight, the enforcement of relevant laws and regulations, conservation of forestry resources, issuance of forest licenses and the extension of support services, in line with the Fiji Forest Policy Statement 2007. In addition, the National Plantation Policy (currently in draft) will establish parameters that govern the setup and operation of plantations in the private sector.

The 2018-2019 Budget allocations will support the enforcement of forestry legislation, policies and regulations to sustainably develop Fiji's forests. New strategies will be introduced to cultivate pine in maritime regions, improve the Ministry's processes to better add value to forestry stakeholders, and capitalise on new opportunities in wood energy and plantation development.

Overall, the Ministry aims to realign the forestry sector to adopt a more modern and holistic approach, which facilitates the provision of timber resources, bioenergy production, habitat preservation, clean water production, biodiversity conservation, employment and carbon sinks.

The total budget for the Ministry of Forests in 2018-2019 is **\$17.1 million**, comprising **\$12.6 million** for operating expenditure, **\$3.8 million** for capital expenditure and VAT of **\$700,000**.



The increase of **\$1.0 million** in the Ministry's 2018-2019 Budget is mainly attributed to an increase in operating expenditure to support new positions for the Ministry's trade and manufacturing account, new allocations for research studies, and increased worker salaries in accordance with Government's civil service reforms. This includes higher salaries and wages for the staff of the Fiji Pine Trust.

New Initiatives

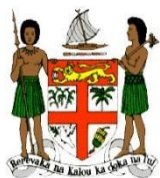
- \$314,852 is allocated for salaries and wages for the regularisation of 19 staff positions in the Ministry's Trade and Manufacturing Account (TMA). These staff are responsible for sawmill operations and the treatment of wood to support and encourage the downstream processing of timber and creation of value added products.
- \$55,000 is allocated for the purchase of a portable X-ray fluorescence spectrometer and titration equipment to support research on timber utilisation and product development.
- \$100,000 is allocated for studies on silviculture and the development of forestry seed banks.

Ongoing Initiatives

- Strengthening support services and widening the scope of research and development:
 - Research and Development of Wood and Non-Wood Species: provides accurate and quality technical information on both wood and non-wood properties encouraging diversification and value-adding (\$150,000).

- Utilisation of Wood: development of an innovative and sustainable approach to maximise forestry resources by eliminating waste while increasing revenue. The Ministry is developing ways to transform waste hardwood (crown, roots, branches and stump) from mahogany, indigenous wood and some lesser known species into finished wood products, along with funding for research (\$367,500).
- Upgrading of Office and Quarters: refurbishes existing institutional infrastructure, such as offices and departmental quarters at stations in Vunimaqo and Lololo. This will enhance the level of service delivery to the people and the quality of extension support by divisional forestry officers (\$450,000).
- Reforesting degraded forests and promoting sustainable forest management through:
 - Reforestation of Indigenous Forests: supports the reforestation of indigenous species. The focus will be on replanting lands that historically held forests that have since disappeared or are slowly disappearing due to deforestation or natural disasters (\$250,000).
 - Reforestation of Degraded Forests: supports and promotes sustainable forest management practices and the restoration of degraded forests (\$700,000).
 - Sandalwood Development Programme: revives sandalwood plantation forests and maximises potential economic opportunities for farmers. The matured selling price is \$80-\$100 per kg of wood and takes 15 to 20 years to reach commercial maturity (\$100,000).
 - Upgrading of Forest Parks: supports the upgrades of Colo-i-Suva and other forest parks into highly productive and valuable forest resources. This will enhance park services as a key attraction for both locals and tourists, fitting into Government's larger vision of growing the Fijian ecotourism industry (\$200,000).
 - Reducing Emissions from Deforestation and Forest Degradation (REDD Plus): funds the Ministry's work with partners to develop sites around the country that will be ready to access carbon markets by 2020 (\$400,000).

- Supporting community-based forestry schemes:
 - Pine Woodlot Logging Package: supports the Narocake (Gau), Kadavu and Cicia Pine Schemes by supplying logging and sawmilling equipment to harvest matured pine plantation for home construction (\$300,000).
 - Purchase of Equipment for Lakeba Pine Scheme: supplies machines that will improve the quality of finished products and complement existing portable sawmills. This will directly benefit the Lakeba Pine Scheme, the largest pine scheme in Fiji. Lakeba Island's scheme covers an area of 1,573ha (300,000 cubic meters) with approximately two million pine trees planted to date (\$300,000).
 - Purchase of Harvesting Machines: for the extraction of matured pine logs in the maritime provinces. This also supports the Ministry's capacity building by ensuring that staff has proper machinery for training (\$550,000).
 - Maritime Pine: supports the utilisation of matured pine resources in outer maritime islands for the short-term housing needs of Fijians residing there, while also developing their long-term timber business interests and opportunities (\$300,000).



The Fijian Government

Ministry of Lands and Mineral Resources

2018-2019 Budget Highlights

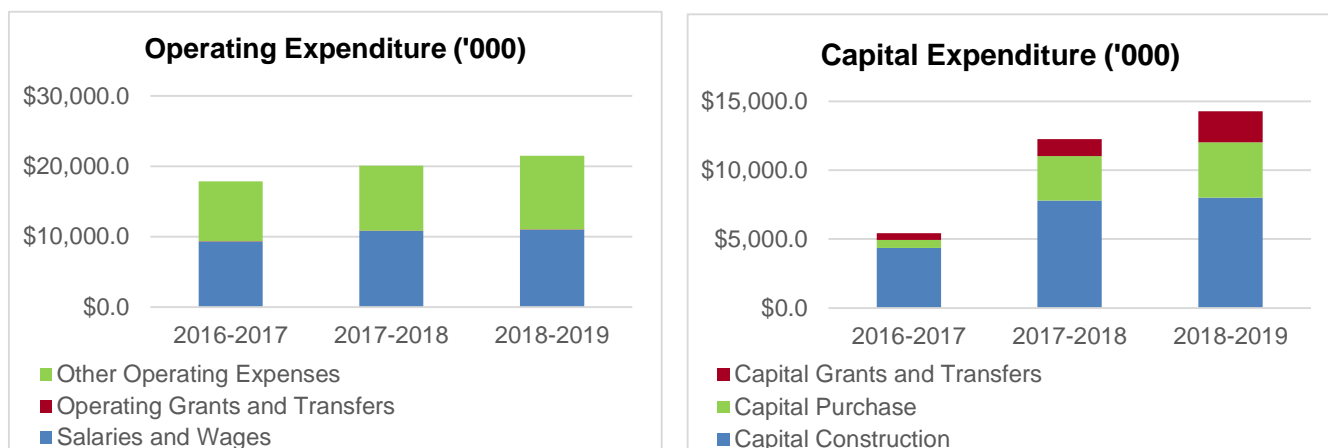
The Ministry of Lands and Mineral Resources ('Ministry') is responsible for policy formulation, monitoring and implementation of programs in the areas governing State Land Administration, Mineral Sector and Fiji's Groundwater Resources, all of which play a distinct role in Fiji's economy.

Within the Ministry, the Department of Lands & Survey is responsible for the effective and efficient administration, development and management of all State land in Fiji. Services that fall under the Department's purview include the administration of State leases; land surveying; mapping; land valuation; survey plan examination and approval; development and maintenance of State land; and geospatial information systems.

The Department also manages the Land Use Unit, which coordinates the implementation of Government's land reform initiatives. The Unit aims to improve socioeconomic growth while striking a balance between landowners and tenants, ensuring both fair returns that reflect current market conditions and a more secure, predictable leasing environment.

Separately, the Department of Mineral Resources oversees and facilitates development of Fiji's mineral, rock and groundwater resources. It undertakes studies in relation to geological hazard assessment, which includes geotechnical issues, and monitors for landslides, earthquakes and tsunamis for public alerts and warnings. The Department also regulates the mining and quarrying sector and monitors the sector's impact on Fiji's environment.

The total budget for the Ministry of Lands and Mineral Resources in 2018-2019 is **\$37.5 million**, comprising **\$21.2 million** for operating expenditure, **\$14.3 million** for capital expenditure and VAT of **\$2.0 million**.



The increase of **\$2.4 million** in the Ministry's 2018-2019 Budget is mainly attributed to an increase in:

- operational expenditure to enhance support for the monitoring of seismic activity and increased worker salaries in accordance with Government's civil service reforms; and
- capital expenditure for groundwater assessment and development on small and large islands. This is to ensure more Fijians in remote rural areas and the outer islands have access to clean and safe water in adequate quantities.

New Initiatives

- \$294,223 is allocated to develop a digital document management system to improve the administration of State land leases, including the processing of applications. This programme will support the digitisation of State land records to facilitate online applications for leases, streamlining the process and giving a more transparent and accountable way for Fijians to engage with the Ministry.

Ongoing Initiatives

- Providing access to reliable water sources and strengthening the capabilities of the Department of Mineral Resources:

- Groundwater Assessment and Development on Small Islands: covers the construction of water reticulation systems, maintenance of boreholes and the provision of technical training on managing borehole systems in the maritime regions (\$760,000).
- Groundwater Assessment and Development on Large Islands: covers the construction of water reticulation systems, maintenance of boreholes and provision of technical training on managing borehole systems on Viti Levu and Vanua Levu (\$2.0 million).
- Mineral Investigation: assesses the potential of mineral sites and encourages foreign companies to undertake exploration work. Information on the potential sites is showcased during public awareness programs, including international and local mining and geological conferences (\$330,000).
- Purchase of Technical Equipment: procures equipment for use in geological and geotechnical investigations throughout Fiji, including seismic monitoring, mines software, and monitoring of mineral/groundwater investigations. Expanded exploration provides more accurate information on major climatic/geographic occurrences such as earthquakes and tsunamis, allowing Fijians to be alerted in times of emergency (\$326,360).
- Core Repository Storage Facility: completes the construction of the new storage facility for core samples for more effective analysis and assessment of mineral prospects, which will allow for the Ministry to identify areas with high economic potential. The project will be completed in September 2018 when core samples from around the country are transferred to the new facility (\$166,885).
- Purchase of Drilling Equipment: includes a multi-drilling rig, support truck/vehicles, and a compressor to support groundwater assessment and development for both small and large islands (\$3.0 million).
- Making more land available for development with proper surveying:
 - National Geodetic Infrastructure: links unconnected areas to the national framework system and upgrades existing areas to ensure that survey control marks are accessible for surveys (\$92,115).

- Survey of Government Property on iTaukei Land: facilitates the issuance of registered leases (\$400,000).
- Survey of Mahogany Plantations: provides valuable information for sustainable plantation use and management. All 14 mahogany plantations are on iTaukei land, and surveys are being carried out according to the harvesting schedule of Fiji Hardwood Corporation Limited (FHCL) (\$512,486).
- Addressing the underutilisation of land:
 - Development of State Land: develops underutilised state land with ongoing civil and earth works at Field 40 in Lautoka and Vakamaishuasua in Labasa (\$1.4 million).
 - Maintenance of Existing Subdivisions: improves those subdivisions on State land that lack sufficient infrastructure and utility services which, upon completion, are then transferred to the relevant authorities to maintain (\$300,000).
 - Development of iTaukei Land – Land Use: supports the development of iTaukei lands. In 2018-2019, the programme will complete civil and earth works for the development of residential lots at the Legalega subdivision in Nadi and Yako subdivision in Nadroga (\$2.0 million).
- Supporting the Department of Lands and Survey by improving current capacities:
 - Upgrade of the Geodetic Datum: supports Fiji's Geodetic Survey Control Network by upgrading the nation's map data to align with international standards. This will ensure a strong and well-maintained network of mapping coordinates, which is vital for reliable cadastral surveying and the establishment of accurate Fijian land boundaries (\$1.48 million).
 - Purchase of Survey Equipment: replaces damaged and obsolete equipment to ensure that land survey works are carried out successfully (\$413,438).

- Fiji Geospatial Information: facilitates the collation of Fiji's land use and utilisation data into a data repository which is then entered into the land use database to use in the creation of maps (\$240,000).



The Fijian Government

Ministry of Industry, Trade & Tourism

2018-2019 Budget Highlights

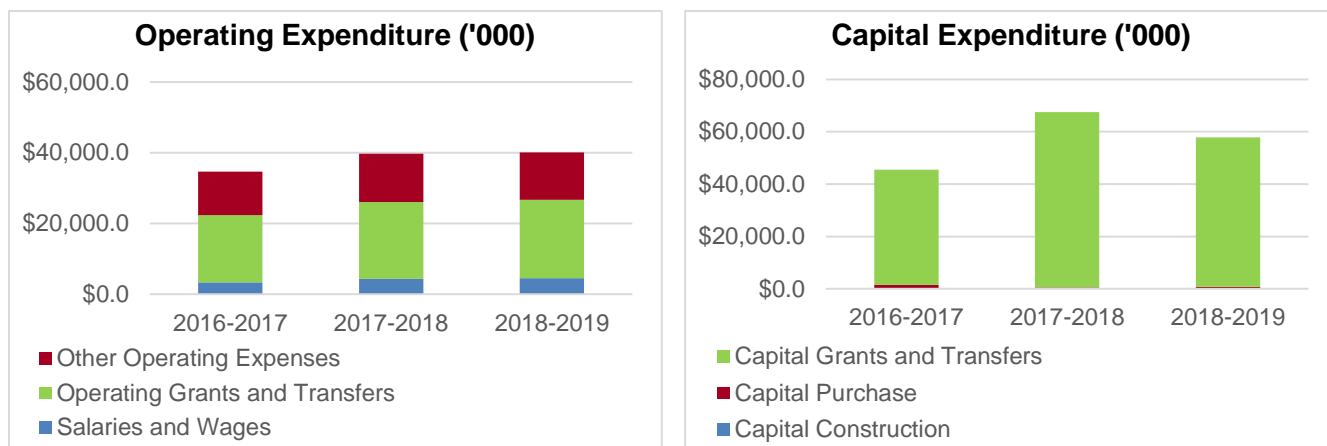
The Ministry of Industry, Trade and Tourism aims to promote Fiji to the world as an attractive destination for new business, greater flows of investment and higher numbers of tourists. The Ministry actively works to solidify and strengthen Fiji's position as the economic hub of the Pacific, and to develop and diversify the Fijian economy to be more vibrant, dynamic, and export-led.

Across all industries, the Ministry strives to adapt and innovate the nation's growing economy to ensure that Fijian businesses can aggressively compete on the international stage by broadening the base of export markets for Fijian-Made products and services.

To ignite grassroots entrepreneurship, the Ministry's programmes and initiatives heavily focus on the support and development of Fiji's micro, small and medium enterprises (MSMEs)—the backbone of Fijian society. By creating a business climate where good ideas can easily become reality, the Ministry is empowering ordinary Fijians' ability to tap into their economic potential, all while growing the economy as a whole. The Ministry also specifically incentivises young Fijians through the Young Entrepreneurship Scheme who have innovative business ideas by providing skills training and economic guidance, arming them with the necessary knowledge to navigate Fiji's formal financial sector with a higher chance of success.

The Ministry will continue to add fuel to the Fijian tourism industry, ensuring that tourism numbers—from visitors to dollars spent—continue their upward trajectory. To foster the sustainable development of this economically-vital industry, the Ministry is constantly engaging with industry stakeholders including Fiji Airways to have more source markets for our tourism arrivals.

The total budget for the Ministry of Industry, Trade and Tourism in 2018-2019 is **\$99.3 million**, comprising **\$40.1 million** for operating expenditure, **\$57.9 million** for capital expenditure and VAT of **\$1.3 million**.



The decrease of **\$6.1 million** in the Ministry's 2018-2019 Budget is mainly attributed to successful implementation of one-off tourism marketing campaigns that worked to solidify Fiji's position as a premier tourist destination, and the end of Fijian Government financial support for the hosting of the Fiji International Golf tournament.

Ongoing Initiatives

- Expanding international marketing programmes to maintain Fiji's strong position in global tourism:
 - Tourism Fiji Marketing Grant: continues global branding initiatives in target markets to ensure that Fiji remains a top holiday destination and maintains its growth in the tourism sector, a main pillar of the Fijian economy (\$29.78 million).
 - Hosting of Super Rugby Game: supports the broadcasting of international rugby events hosted by Fiji to viewers across the world, showcasing Fiji's profile as a premium sporting destination (\$3.55 million).
- Achieving International Accreditations:
 - Accreditation of the National Measurement Laboratory: supports the ongoing review of the necessary upgrades to achieve international accreditation of the National Measurement Laboratory (\$500,000).

- Strengthening and supporting the growth of MSMEs and the increasing opportunities for Fijian entrepreneurs:
 - Micro and Small Business Grants: encourages micro and small scale economic activity and boosts income capacities by improving the quality of products and services of MSMEs (\$6.44 million).
 - Northern Development Programme: an integrated programme that provides business training and technical support to improve livelihoods and facilitate growth in rural communities, and to generate funds from business owners and financial institutions through partnerships (\$1.5 million).
 - Young Entrepreneurship Scheme (YES): provides grants of up to \$20,000 to young and budding Fijian entrepreneurs between the ages of 18-30 who have innovative and bankable ideas, but lack the collateral required to receive loans from financial institutions. Training and mentorship will also fall under the Scheme, arming them with the necessary knowledge to navigate Fiji's formal financial sector with a higher chance of success (\$2.0 million).
 - Standardised Roadside Stalls: supports roadside vendors along Fiji's major highways with the installation of new semi-permanent or portable stalls. The free roadside stalls are attractive, high-quality and hurricane-resistant, allowing our vendors to better market their goods in a safer and more reliable structure (\$2.0 million).
 - Wairabetia Economic Zone: supports land development, including infrastructure and utilities, at the Wairabetia foreshore close to Odro Island. The zone will contribute to positioning Fiji as a regional hub for services and manufacturing, bolstering the economy of not only the Western Division, but of the entire nation (\$9.0 million).
 - MSME Central Coordinating Agency: provides Fijian micro, small, and medium enterprise owners with training, mentoring, and incubation to help grow their businesses. This hands-on approach helps guide Fijian entrepreneurs to success, benefiting the Fijian economy as a whole (\$2.83 million).



The Fijian Government

Ministry of Sugar Industry

2018-2019 Budget Highlights

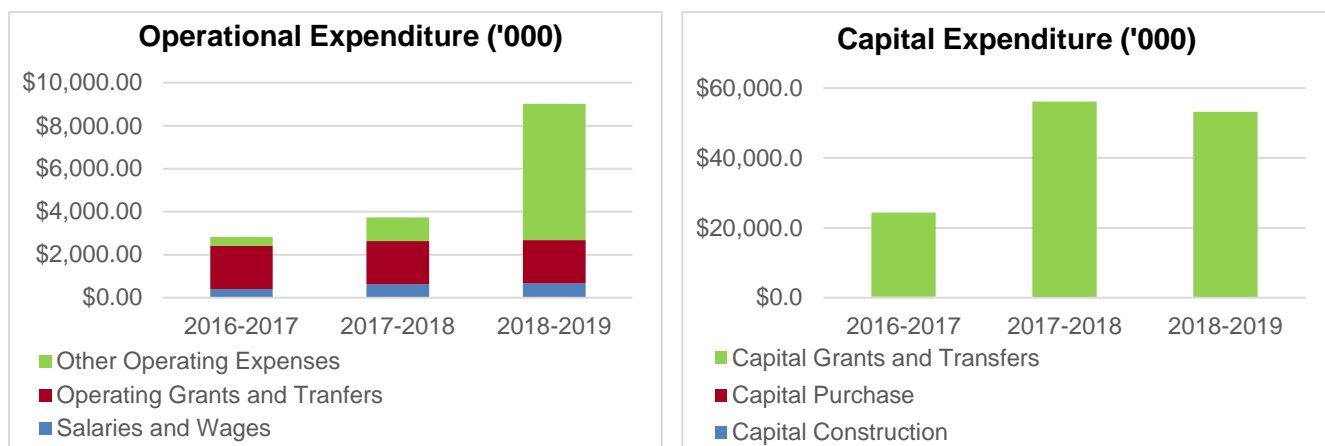
Over 200,000 Fijians directly rely on the health of the nation's sugarcane farming industry. To support these Fijians and the Fijian economy, the Ministry of Sugar Industry is responsible for laying down a solid foundation for a vibrant and sustainable industry that remains prosperous in the face of modern challenges.

The Ministry's support to the Fiji Sugar Corporation (FSC) is guided by its newly adapted five-year Strategic Action Plan (SAP) that focuses on infrastructure development at the farm level and interventions that control production costs for sugarcane farmers. The SAP is based on targeted interventions to reverse the decline in sugarcane production and, through adopting new innovations, assist farmers in reducing costs of production and improving their viability.

The approved increase in Government Guarantee to FSC, totaling \$202.0 million, will be used to make strategic investments to modernise the industry, effectively improving both its services and infrastructure. Compounding on FSC's support of Fijian sugarcane farmers, the Ministry's allocation in the 2018 – 2019 Budget will provide further targeted assistance to sugarcane farmers.

The Fijian Government – in partnership with the FSC – will establish and make contributions to a sugar cane stabilisation fund. A base price of \$85 per tonne has been agreed in principle for a period of 3 years, which will be reviewed thereafter. This will instill confidence and provide price certainty for farmers.

The total budget for the Ministry of Sugar Industry in 2018-2019 is **\$62.3 million**, comprising **\$9.0 million** for operating expenditure, **\$53.2 million** for capital expenditure and VAT of **\$72,000**.



The Ministry's 2018-2019 Budget includes new and ongoing initiatives.

New Initiatives

- The Fijian Government—in partnership with the FSC—will establish and make contributions to a sugar cane stabilisation fund. A base price of \$85 per tonne has been agreed in principle for a period of 3 years, which will be reviewed thereafter. This will instil confidence and provide price certainty for farmers.
- \$500,000 is allocated for the procurement and trial of a tractor mounted harvester for hilly terrain from Brazil.
- \$5.54 million is allocated to account for development assistance from the European Union under the 11th European Development Fund for sustainable rural livelihoods in the sugar industry.

Ongoing Initiatives

- Sugarcane Development and Farmers Assistance: continues with cane replanting, especially within areas already under cane. The focus will be on replanting on fallow land and ratoon restoration (\$15.4 million).
- Cane Access Roads: covers ongoing upgrading works on cane access roads and the installation of culverts (\$6.0 million).

- Cane Cartage (Penang to Rarawai): covers the transportation costs of sugarcane from Penang to the Rarawai Mill (\$5.66 million).
- Fertiliser Subsidy: subsidises the cost of fertiliser to increase supply to sugarcane farmers. This allocation has been increased due to Government raising its subsidy from \$14.09 to \$25.59 per 50kg bag (\$15.35 million).
- Weedicide Subsidy: supports the procurement of weedicide—such as Diuron 80 and Glyphosate and Amine 720—to enable farmers to adopt better weed control and keep their production costs stable (\$6.32 million).
- New Farmers Assistance: provides a comprehensive assistance package to Fijians seeking to start their own sugarcane farm. Under this programme, Government covers the cost of acquiring a lease for a plot of farmland from iTaukei Land Trust Board (TLTB). To nurture the fledgling farm, Government also covers the cost of preparing, planting, and cultivating the first four hectares of sugarcane, and facilitates the acquisition of a cane contract with FSC (\$2.0 million).
- Sugarcane Farm Mechanisation: supports the use of machineries on sugarcane farms through assistance to cooperatives and farmer groups, modernising the Fijian sugar industry to be more efficient and overcome the challenges of labour shortages (\$1.0 million).
- Sugar Individual Small Grants Scheme: meets requests for essential infrastructure that arise during sector meetings and industry consultations, including irrigation works, water pumps, boreholes, water tanks, etc. (\$1.0 million).



The Fiji Government

Ministry of Public Enterprises

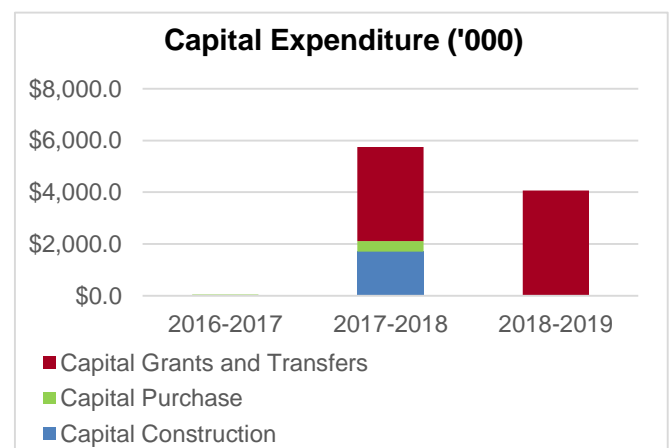
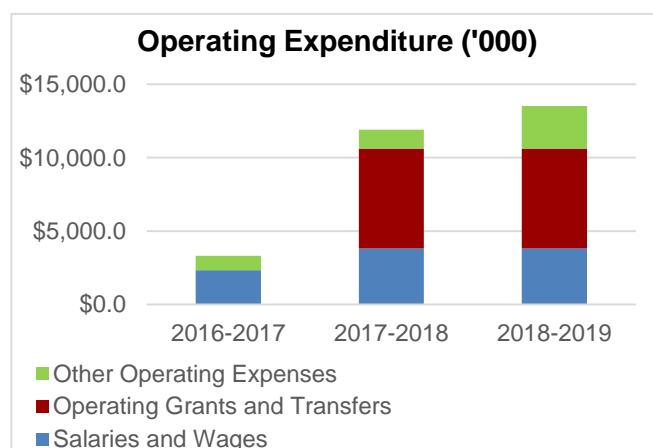
2018-2019 Budget Highlights

The Ministry of Public Enterprises implements reform programmes and monitors the performance and operations of Fiji's public enterprises, including: Government Commercial Companies; Commercial Statutory Authorities; and Majority Owned Companies.

Through the Ministry, Government also aims to actively attract private sector participation and investment to Fiji's diverse set of public enterprises, making them more competitive, efficient and effective, both in day-to-day operations and in service delivery to Fijian families.

Additionally, the Ministry oversees the Government Printing and Stationery Department (GPSD), which provides printing and stationery services to Parliament, Government ministries & departments, statutory bodies and the general public on semi-commercial practices.

The total budget for the Ministry of Public Enterprises in 2018-2019 is **\$15.8 million**, comprising **\$11.5 million** for operating expenditure, **\$4.0 million** for capital expenditure and VAT of **\$300,000**.



The decrease of **\$2.0 million** in the Ministry's 2018-2019 Budget is mainly attributed to a decrease in capital expenditure due to the completion of Government support for the construction of a seawall in Levuka by PAFCO and equipment procurements by Copra Millers Fiji Limited to protect and improve their processing capacity.

New Initiatives

- \$227,170 is allocated for a capital grant to Food Processors Fiji Limited to improve its processing plant through infrastructure upgrades and purchase of processing equipment.

Ongoing Initiatives

- Ensuring the Fijian ecosystem is safeguarded from biological threats:
 - Biosecurity Authority of Fiji Capital Grant: supports ongoing programmes for quarantine control and protection against the incursion of biological threats. The grant will fund activities of the Asian Subterranean Termite Programme; National Plant Health Surveillance Programme; and Giant Invasive Iguana Programme (\$1.1 million).
 - Biosecurity Authority of Fiji Operating Grant: covers the operational costs of BAF, specifically wages and salaries of staff (\$4.79 million).
- Improving efficiency and performance and support private sector participation in public enterprises:
 - Consultancy Fees: supports the restructure and/or divestment of public enterprises like Energy Fiji Ltd and Food Processors Fiji Ltd and other Government departments like the Government Printing Department (\$2.0 million).
 - Fiji Rice Ltd – Capital Grant: supports the ongoing upgrade of the Dreketi Mill to meet international food and safety requirements and accommodate the increased supply of rice by farmers (\$1.25 million).
 - Copra Millers of Fiji Ltd – Capital Grant: supports the ongoing upgrade of its processing plant, along with the company's supply chain initiatives. The grant supports growers by subsidising the costs of replanting of senile coconut trees and the purchase of whole coconuts (\$1.5 million).



The Fijian Government

Ministry of Local Government

2018-2019 Budget Highlights

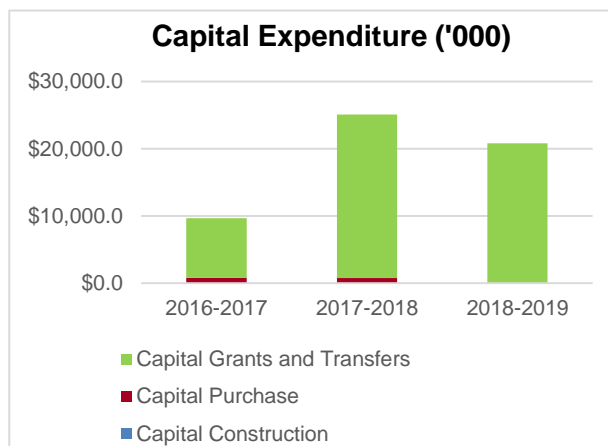
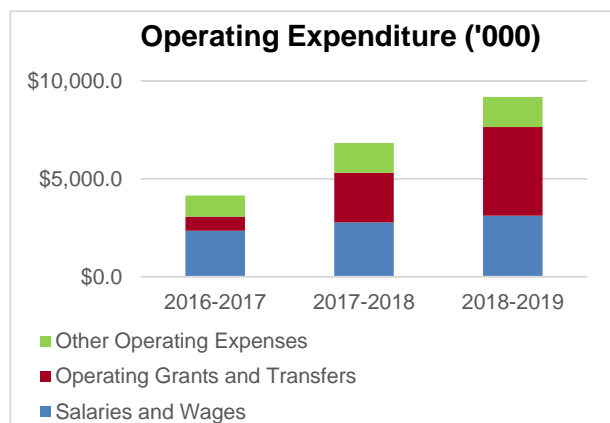
The Ministry of Local Government is guided by the overarching vision that good governance at all levels of society is critical to both Fiji's economic development and to the realisation of every Fijian's constitutional rights.

Recognising that the duties of productive local governance often fall outside the strictly-drawn boundaries of a municipality, Government is taking strides to give the Ministry the tools it requires to implement effective change not only locally, but regionally.

This is reflected in the Ministry's 2018-19 budget allocation, which facilitates the absorption of responsibilities over rural governance issues from the Ministry of Health and Medical Services' Public Health Inspectorate. Previously, rural health inspectors were charged with ill-suited roles, such as the issuance of local building permits and inspections, management of non-municipal waste collection, and maintenance of markets in peri-urban and rural areas.

The consolidation of these functions under the Ministry will allow Fijians living in these areas to see their issues resolved more efficiently. The Ministry of Health and Medical Services—and others who follow this model of structural modernisation—will also benefit from such moves, as resources can be rededicated to their respective ministries' core services. As a result, all Fijians will be better serviced at the local, regional, and national levels.

The total budget for the Ministry in 2018-2019 is **\$30.1 million**, comprising **\$9.2 million** for operating expenditure, **\$20.8 million** for capital expenditure and VAT of **\$138,500**.



The decrease of **\$2.0 million** in the Ministry's 2018-2019 Budget is mainly attributed to progress made on the construction of the Laqere, Rakiraki and Namaka markets, which are nearly complete.

New Initiatives

- \$300,000 is allocated to support the transfer to the Ministry of responsibilities for Fiji's local authorities in peri-urban and rural areas relating to the processing of building permits and inspections and other services like waste collection and the maintenance of markets. Relevant laws will be amended to enable the transfer from the Ministry of Health and Medical Services.
- \$750,000 is allocated to support the provision of municipal services within the new Nadi City boundaries.
- \$250,000 is allocated to begin preparatory works for the construction of a new market in Lami.
- \$150,000 is allocated for preparatory works for a new bus station in Rakiraki.
- \$500,000 is allocated for an annual programme for the upgrading of children's parks in all municipalities.
- \$500,000 is allocated for preparatory works for the installation of new floodlights at Churchill Park to IAAF standards.
- \$1.0 million is allocated to improve the ventilation and lighting conditions at the Lautoka market.

Ongoing Initiatives

Department of Local Government

- Supporting the vital work of the National Fire Authority to maintain public safety:
 - Emergency Ambulance Services – National Fire Authority: an operating grant that subsidises the operational expenses of emergency ambulance services during fires and emergencies (\$1.64 million).

- National Fire Authority Capital Grant: procures fire equipment, fire trucks and apparatus kits to effectively equip firefighters during emergency operations. Funding will also be directed towards the upgrading and maintenance of fire stations around Fiji (\$1.5 million).
- Improving the capacity of all municipal councils to effectively deliver services:
 - Waste Collection Subsidy: supports the collection of rubbish from informal settlements and in areas within town boundaries that are managed by a local authority. Additional funding of \$1.15 million is allocated in 2018-2019 to support this activity (\$1.5 million).
 - Challenge and Investment Fund – Town/City Councils: supports capital investment for all municipal councils. Planned projects for 2018-2019 include: preparatory works for the relocation of the market and bus station in Sigatoka; the ongoing upgrade of Ratu Cakobau Park in Nausori and Ganilau Park in Savusavu; the upgrade of Nasau Park in Levuka; and the construction of mini-markets for Cuvu and Nailaga (\$4.0 million).
 - Preparatory Works – Valelevu Sports Stadium: supports the Council’s efforts to secure donor assistance for the construction of the new Valelevu Sports Stadium (\$850,000).
 - Ongoing Construction – Lautoka Botanical Garden Swimming Pool: covers the ongoing construction work for this project. The aquatic centre will house an Olympic-standard competition pool, a warm up pool and a children’s pool. It will allow Lautoka to host high-profile domestic, regional and international swimming competitions (\$2.5 million).
 - Completion of Rakiraki Market: funds the completion of construction work for the new double-storey market in Rakiraki (\$600,000).
 - Completion of Laqere Market: funds the installation of amenities at the new Laqere market in Nasinu (\$500,000).
 - Roadside Minimarkets (Municipal Councils): supports the construction of standard minimarkets at identified locations (\$800,000).
 - Preparatory Works – New Indoor Sporting Facility, Lautoka: funds the ongoing preparatory works for the construction of this new facility at Churchill Park, which will

benefit Fijian athletes and sports enthusiasts and encourage active lifestyles (\$500,000).

- New Swimming Pool – Nasinu: supports the completion of preparatory works to enable the start of construction on the new pool (\$500,000).
- Redevelopment of Govind Park – Ba: covers the completion of the park's new pavilion and upgrade of the playing field (\$1.0 million).
- Completion of Namaka Market: supports the completion of construction works for this project (\$1.0 million).

Department of Town and Country Planning

- Developing smaller urban centres in order to relieve the pressure on basic infrastructure and the environment in major urban centres:
 - New Town Development: town centres are being developed in areas identified as growth centres within rural and remote areas at Nabouwalu in Bua, Korovou in Nausori, Seaqaqa in Macuata and Keiyasi in Nadroga/Navosa, which includes zone creation for future development (\$4.65 million).
- Ensuring efficient, effective and sustainable development in towns and cities:
 - Municipalities Master Plan: funds the Ministry's urban planning programme. In 2018-2019, work will commence on master plans for the Greater Suva Area and Nadi (\$1,000,000).
 - Urban Policy Action Plan Implementation: supports the development of town planning schemes and action plans for development of urban centres (\$160,100).