National agrifood systems and COVID-19 in Fiji
Effects, policy responses, and long-term implications

This country profile covers responses and effects up to end of August 2020

INTRODUCTION

The COVID-19 pandemic has put significant pressure on health systems all around the world. The drastic measures established to contain its spread are creating serious impediments to economic activity (including agrifood systems) and, consequently, to livelihoods and food security and nutrition.

The COVID-19 outbreak demonstrates both how health and food systems are linked to one another, and how local food systems are linked to global systems. High rates of urbanization and the globalization of trade and travel have contributed to the spread of the virus across countries. Lockdowns and movement restrictions within countries and across borders have disrupted national and local food and agricultural output and input markets and have caused sharp reductions in overall economic activity globally. In poorer countries, disruptions have further exacerbated the fragility of systems (including agrifood systems) and livelihoods.

The Global Report on Food Crises 2020 found that 135 million people in 55 countries and territories are facing acute food insecurity at “crisis” level or higher – a situation that requires urgent action. The report further concluded that over 183 million people were experiencing a “stressed” level of acute food insecurity and bore a high risk of sliding into a “crisis” level if confronted by with additional shocks (FSIN, 2020). The situation is particularly worrisome in light of the evolving nature of the COVID-19 pandemic.

As the situation evolves, the question arises as to how, or whether, food, health and financial and economic systems could become better prepared to prevent similar outbreaks from escalating into a full-blown economic and social crisis.

This report is part of a series of country profiles that describe: (i) policy measures enacted by governments to contain the spread of the virus; (ii) policies and measures to stabilize the functioning of agri-food systems; (iii) potential effects of policies on agri-food systems and vulnerable groups. Finally, the profiles also assess longer-term options for agri-food system policies and investments so as to make them more resilient.
POLICY MEASURES TO CONTAIN COVID-19

What major measures have been taken to contain the spread of the virus? How are they evolving?

Fiji reported its first case of COVID-19 case on 20 March 2020. In June, Fiji had been declared COVID-19 free however, the first COVID-19 border case was reported on 6 July. By 22 September, a total of 32 confirmed cases and two deaths have been reported. Only two cases still remain active. All of the border cases were repatriated Fijian citizens, most of them arriving from India (MoHMS, 2020).

The Government of the Republic of Fiji has made rigorous efforts to stop the spread of the virus through lockdowns, curfews, gatherings and border closures. Lautoka City in the Western Division of Fiji – where the first COVID case resided – went into lockdown for 17 days on 20 March. Suva, in the Central Division, followed Lautoka in a lockdown of 14 days after two cases were reported in April. A lockdown was also imposed in Soasoa and Dreketi (Northern Division). During lockdown, no movement was permitted into or out of the areas affected, except for essential services. As of early August, there were no lockdowns in Fiji. On 20 March 2020, the government limited social gatherings to fewer than 20 people; this expanded to 100 people on 22 June. Physical distancing of two metres has been implemented since the first case was reported and remained until now. The Prime Minister announced a nationwide curfew starting on 30 March from 10 p.m. to 5 a.m., which was changed to 11 p.m. to 4 a.m. from 22 June and is still in effect. The government is supporting a number of campaigns to raise awareness of the importance of preventive measures and to avoid panic shopping.

All flights (domestic and international) were grounded at the end of March. Nadi International Airport is closed. All domestic flights started up again on 26 April, while international flights remain cancelled. Only special charters and repatriation flights are allowed to operate. Cargo flights carrying essential products, including food items, are also operating in exceptional cases (Republic of Fiji, 2020b).

In February, the Fiji Government closed its borders to Chinese nationals. In March, this was extended to all travellers from the Republic of Korea, the European Union and the United States of America. Cruise ships were also banned and are still prohibited to berth anywhere in Fiji. Local passenger ships were permitted to resume operations in April. Travel restrictions for non-citizens continue; only Fijian citizens are allowed back into the country following a period of quarantine (Republic of Fiji, 2020). International events are not permitted and government ministers and staff are restricted from travelling overseas.

On 21 June, the government announced additional measures:

- The ‘Bula Bubble’ and ‘Vacation In Paradise (VIP)’ concepts describe how Fiji will open its borders to visitors from New Zealand and Australia who meet a set of requirements, including quarantine and proof of a negative COVID-19 test result within 48 hours before departure from their own country. Tourists who come to Fiji on these terms will not be able to move freely throughout the country. ‘VIP lanes’ are areas demarcated to ensure minimal contact with Fijians and, where there is contact, to guarantee that such contact is controlled and limited.
- Fiji has also opened a ‘Blue Lane’ with strict requirements for yachts and pleasure crafts sailing to Fiji.
• Talks are underway with Singapore for Fiji to join the ‘Green Lane’ arrangement, which will facilitate essential travel between countries business and official purposes (Republic of Fiji, 2020c).

The tourism industry has suffered the most from the crisis. According to the Fiji Hotel and Tourism Association more than 93 percent of hotels and resorts are closed (FBC News, 2020) and 40 000 workers are seriously affected by the COVID-19 pandemic (Fijivillage, 2020). Tourism normally accounts for about 40 percent of the Fijian GDP. Fiji Airways has laid off 758 workers and the Airport Terminal Services laid off 400 workers, while most other tourism related workers have also been furloughed due to travel restrictions worldwide. Some hotels and resorts have joined the ‘Love Our Locals’ campaign sponsored by the Ministry of Commerce, Trade, Tourism and Transport (MoCTTT), which aims to build consumer confidence and spur local economic activity in the tourism sector. As a result of the campaign, some hotels have started to open, with a reduced number of workers and limited services.

Fiji has now moved into Phase 2 of the three-phase COVID Safe Economic Framework (MoCTTT, 2020). Phase 2 involves opening more businesses, the education sector and communities with COVID-19 safety plans in place. The government is prepared for repatriated citizens bringing positive cases into the country. The worst case scenario would involve the transmission of cases in communities where resources and essential services are stretched, adding a significant burden to the national health system.

What measures to contain the spread of the disease particularly relate to the agrifood system?

The transport of food supplies between islands has returned to normal and no food shortages have been reported to date. Relaxation measures, announced by government on 21 June, shortened curfew to 11 p.m. to 4 a.m. from 10 p.m. to 5 a.m. allowing markets, shops and supermarkets to stay open longer and means fewer restrictions on the movement of farmers bringing their produce to market. Farm workers will also have more time for farm labour before it gets too hot during the day. Restaurants and street food vendors will be able to open for an extra hour. More hotels will open due to new measures, which will create more employment, including in the agrifood sector.

AGRIFOOD POLICY MEASURES TO RESPOND TO THE EFFECTS OF THE CRISIS

What are the major measures (in place or expected) to be enacted aiming at the food system directly?

On 17 July, the national budget for the 2020-21 financial year was released. The new budget includes measures to stimulate the ailing economy, with three main objectives: i) to bring back jobs, especially in the tourism sector, through tax reforms and other special measures; ii) to guarantee social protection for people that have lost or reduced their income; and iii) to use government stimulus to prevent structural damage to the economy in the wake of the COVID-19 crisis.

During the lockdown, farmers from rural areas were barred from entering the cities and only allowed to sell their produce to middlemen at the border. These barriers have since been removed. Food distribution trucks were allowed to bypass the barriers and to access boats for
inter-island distribution. Some media reported that the need to comply with health and safety regulations led to numerous delays and difficulties.

Fresh food markets and small market outlets have remained open throughout the lockdown periods, although many have been forced to raise their prices due to limited supplies. Fishers and shift workers for food manufacturing companies have continued to work during the lockdowns and curfew hours, the latter requiring a certificate from their company. Farmers, market vendors, food sellers and restaurants must still observe curfew hours.

Agricultural and manufacturing exporters are building new trade relations through digital platforms, mostly with the Australian and New Zealand markets, with three-quarters of exporters now relying on online channels for export revenue, according to the Pacific Island Export Survey (PTI Australia, 2020).

Support for local food production

The Ministry of Agriculture (MoA) has introduced an agriculture response package for household food security, including the following elements:

- A home gardening programme with packages of vegetable seeds and tips on growing food that had started earlier this year was scaled up to target 5,000 households (from 2,000 households) in urban areas and peri-urban communities. The interest from the public has been overwhelming and observation and feedback indicate that people are planting vegetables in and around urban areas. A weekly online home gardening competition was held from early June until the end of August where COVID-19 home gardening relief package recipients could upload photos of their gardens to the MoA Facebook page #LoveMyHomeGarden and win gardening tools as prizes. The distribution of vegetable seeds has been put on hold until September due to delays in imports as a result of COVID-19.

- As part of the home gardening initiative, a Corporate Employee Seed Package provides seeds to the employees of corporations, especially hotels and resorts, that lost their jobs due to COVID-19. The initiative is on-hold until September when seeds will be available again.

- A farm support package that includes seeds and planting materials (e.g. taro, cassava, rice, kumala, duruka, eggplant, chillies, okra, tomatoes, maize, bitter gourd, pigeon pea, and cowpea) aims to assist farmers to boost their production of short-term crops.

- 1,100 villages and farmers from rice production areas in Western, Central and Northern Divisions will be given rice seeds (up to 30 kg for one-acre farms) to encourage them to grow rice for home consumption. In addition, the programme will provide farmers with small portable rice mills.

- The Fiji Agricultural Marketing Authority (AMA), which falls under the MoA, bought over 50 tonnes of fresh products, mostly vegetables and root crops, from small-scale farmers to supply local markets across Fiji, paying cash on the spot for the produce. By mid-June, the AMA had contracted with 200 farmers out of the total 600 planned for this programme.

- The MoA will boost its support for the livestock industry by providing interested households in villages and settlements with six- to 12-day-old chicks.

Fiji has no national public food reserves because of their prohibitively high cost. Food industries have assured the government that they have enough raw material (such as wheat for flour) for the next three to four months. There have been no food shortages in the supermarkets. Through
the Fijian Competition and Consumer Commission (FCCC), the government is enforcing a previously existing price control mechanism for food items that are considered basic necessities. These include rice, vegetable oil, blue peas, split peas, salt, baby milk, canned tuna, sardines, tea, powdered milk, liquid milk, canned beef, canned mutton, margarine and sugar. No fresh products are included on the FCCC list. The MoA has been carefully monitoring prices in the food markets during the lockdown period. The Ministry focuses on municipal markets for vegetables, fruits and root crops, while the FCCC monitors foods that are sold in supermarkets and retail shops. To avoid panic buying, the government briefly imposed a limit on the number of basic food items that could be purchased by any one customer. The measure was highly effective. It has since been lifted.

The Fiji Development Bank has announced COVID-19 relief packages for their customers, who are mostly farmers affected by the crisis. The relief package is for three months and include options such as repayment of interest only, a repayment holiday and the waiver of fees and bank charges.

**Financial measures and support to financial institutions**

In March, the government announced a supplementary adjustment to the 2019-20 budget of FJD 1 billion (USD 475.8 million) in response to the COVID-19 pandemic. Additional expenditures on public health, lump sum payments through the Fiji National Provident Fund (FNPF), tax and tariff reductions, and loan repayment holidays aim to protect public health, support the economy and ensure food security. The Reserve Bank of Fiji (RBF) will reactivate and expand the Natural Disaster Rehabilitation Facility, which has been renamed the Disaster Rehabilitation and Containment Facility. Under this facility, the RBF will make FJD 60 million (USD 28.6 million) worth of loans available to banks at an interest rate of one percent. Banks can then loan these amounts to small and medium-sized businesses and customers at a maximum interest rate of 5 percent. Low interest rates mean more borrowing, giving businesses badly-needed financial resources to ease the pressure of the pandemic, keep their doors open and ensure that people retain their jobs. Banks have already announced lower lending rates across the board and expect to reduce them even further in the near future.

The Fiji Investment Corporation Limited will provide immediate equity injections and refinancing opportunities for small and medium businesses through the Fiji Development Bank. Other banks have also shown an interest in supporting this initiative's capital base. In mid-May, the RBF raised its Import Substitution and Export Finance Facility by FJD 100 million (USD 47.6 million) to provide credit to exporters, large-scale commercial agricultural farmers, public transportation and renewable energy businesses at concessional rates.

On 8 June, the Fiji Government unveiled COVID-19 concessional finance support packages to aid micro, small and medium enterprises (MSME) that have been severely impacted by the global COVID-19 economic fallout. The 2019-2020 budget will be doubled to FJD 30 million (USD 28.4 million) in order to provide “highly-targeted loans that ease the financial burden on enterprises until the economy makes its recovery (Ministry of Economy, 2020a)”.

An additional FJD 5 million (USD 2.4 million) will be added to the small and medium enterprises credit guarantee scheme. Under this scheme, if any of these businesses fail, the government has the resources to cover 50 percent of any outstanding guaranteed loans. Existing small to medium businesses with immediate equity injections and refinancing opportunities will be managed through the Fiji Development Bank. Through its COVID-19 response budget, the government will strengthen the balance sheets of the Fiji Sugar Corporation, Pacific Fishing Company Pte Limited (PAFCO), Fiji Rice Limited, Food Processors Limited and Viti Corp Company Limited (all food-related companies) by converting their loans into equity.
Starting with the new financial year in August, the government will eliminate the 6 percent service turnover tax, decrease the Environment and Climate Adaptation Levy from 10 to 5 percent across the board and reduce the departure tax from FJD 200 (USD 94.4) to FJD 100 (USD 47.2). Mortgage repayments could be deferred for 6 months and stamp duty rates reduced to 0 percent. Tax incentives for commercial landlords that reduce rents have been extended until 31 December 2021, while all residential rents are now tax-exempt.

What policy measures are in place or expected that aim to mitigate the effect of the crisis on vulnerable groups and their livelihoods?

Health insurance schemes are private in Fiji and most of the workers affected by the crisis have no health insurance. The government will maintain ongoing social protection programmes under the Ministry of Women, Children and Poverty Alleviation (MoWCPA), including the Social Pension scheme, the Poverty Benefit scheme, the Care and Protection allowance, the Rural Pregnant Mothers Programme and the Disability Allowance scheme. An additional FJD 20 million (USD 9.5 million) from the 2019-2020 COVID-19 Response Budget was added to the previous FJD 127.7 million (USD 60.8 million) budget. The government has announced an allocation of FJD 159 million (USD 75.7 million) to the MoWCPA in the 2020-2021 budget, a substantial increase that will allow the Ministry to expand these current programmes to reach the most vulnerable populations, including people qualifying as beneficiaries because of COVID-19.

The government’s COVID-19 budget will increase the tax deduction on wages paid to employ people with disabilities for three consecutive years, from 300 to 400 percent (133 percent a year). In March and April, the government gave out food rations (rice, flour, oil, tinned fish and dhal) to help households affected by the cyclone crisis in April. All ration distributions have now ceased. With assistance from major companies, the government established the Veilomani Food Bank for families that have experienced unemployment due to COVID-19. The initiative distributes mostly canned and packaged foods. So far, 500 families – who had completely lost their source of income due to COVID-19 – have been assisted by this initiative.

On 28 May, Parliament passed the Employment Relations Bill, which allows employers to release their workers if they cannot provide work due to an act of God, which now includes COVID-19. The bill still stands, requiring a Gazette notice from the Fiji Attorney General to be cancelled, after consultations with different ministries and stakeholders in key economic sectors have taken place. Individuals that have lost their jobs can withdraw contributions from their accounts in the Fiji National Provident Fund (FNPF) (superannuation pension funds). Banks and finance companies will defer loan repayments for six months for any Fijians who have lost their jobs or have had their hours reduced. During this period, banks will also waive all charges on minimum balances in customer’s accounts and remove the minimum purchasing requirement for electronic transactions.

Nutrition support

The Ministry of Health and Medical Services (MoHMS), through the National Food and Nutrition Centre (NFNC), has disseminated nutrition education messages throughout the current crisis concerning the importance of healthy eating, breastfeeding, and growing one’s own food as well as sharing messages from the websites of the World Health Organization, the World Food Programme and the Food and Agriculture Organization of the United Nations to advise the public on potential impacts of COVID-19 on food and nutrition security. The MoHMS provides ‘Grow Your Own Food (GYOF)’ training to promote healthy eating habits and home gardening, using the ‘My Kana’ app, which has information on local crops and daily nutritional intake. So far, MoHMS,
in partnership with the University of South Pacific (USP) and other government stakeholders, have conducted five training courses in different communities in the Central and Western Divisions and they intend to expand to other divisions in the coming months.

**How is the government funding the measures described above?**

- Limited government resources will cause a lot of programmes to be pushed back. In the 2020-2021 budget announcement, the Food and Nutrition Security programme in the MoHMS was reduced from FJD 200 000 to FJD 20 000 (USD 94 440 to USD 9 444). Similarly, the Food Security Programme in the MoA was reduced from FJD 800 000 (USD 375 926) in the 2019-2020 budget to FJD 200 000 (USD 94 440) in the 2020-2021 budget.

- Some projects related to infrastructure and the construction of public buildings have been suspended temporarily, such as the initiative with Aspen Medical from Australia to revamp the Ba and Lautoka hospitals in the Western Division, which has been delayed for a year.

- The Government of Fiji has requested a FJD 460 million (USD 216 million) loan from the Asian Development Bank (ADB)-supported Sustained Private Sector-Led Growth Reform Program. Part of the proposed loan would help fund Fiji’s response to the COVID-19 outbreak. The request will be considered by ADB’s Board of Directors in the coming months.

- The World Bank has approved funding of USD 7.4 million to strengthen Fijian health systems and its COVID-19 health facilities.

- A number of donors have provided medical equipment and supplies to Fiji in response to COVID-19. The latest donation included a batch of GeneXpert testing kits with funding from Australia, New Zealand, the World Health Organization (WHO) and UNICEF.

- New Zealand provided FJD 7.7 million (USD 3.6 million) to Fiji to support its COVID-19 response.

- Australia has provided FJD 30.5 million (USD 14.4 million) to the MoHMS and the Fiji Military Forces to boost the government’s COVID-19 response as well as to support the campaign of COVID-19-containment to assist 120 000 Fijians who are existing recipients of the Poverty Benefit Scheme, Care and Protection Allowance and Disability Allowance has been granted in June. The role of the Military Forces is related to the protection of strategic national assets like reservoirs and water treatment plants, and enforcement of COVID-19 restrictions across the country.

- The FAO-European Union (EU) Pro-resilience programme has contributed seedlings, planting material and logistic support worth FJD 57 179 (USD 26 868) to support the MoA’s distribution activities for the home gardening programme and the farm support package in Ra province (Western Division). In addition, the EU provided FJD 50 million (USD 23.5 million) to support sustainable rural livelihoods for the next 3 years.

- The United States of America committed FJD 2.3 million (USD 1.1 million) to the Pacific for COVID-19 response.
IMMEDIATE EFFECTS OF THE CRISIS ON MOST VULNERABLE PEOPLE AND THE AGRIFOOD SYSTEM

What are the immediate effects of the crisis and the different sets of measures on agrifood systems?

During the lockdown in March and April, some businesses were forced to close or reduce their hours due to a lack of staff and decreased demand for their products and services. Commercial activity has continued to be sluggish in the wake of the lockdown, particularly in the tourism sector with a clear impact on food demand. Although the lockdown did not create food shortages, local supply was partially disrupted due to transport and movement restrictions. A number of special flights – to Australia, New Zealand and the United States of America – were introduced to enable the export and import and agricultural products without interruption, an initiative with major cost implications. Farmers and fishers had difficulties in reaching their usual markets during this period, resulting in food losses. This ended after the easing of restrictions. Restaurants have remained open throughout the crisis, although, due to low turnout of clients, some have started to close and a few are offering take away services, which were not common before. There has been a substantial increase in sales of takeaway food online.

On 8 April, in the midst of COVID-19, Fiji was hit by a Category 4 tropical cyclone, adding additional pressure to the already stressed economy. Root crops and vegetables were badly affected in the Eastern Division of the country. Distribution measures for seeds and planting materials were added for households affected by the cyclone.

Markets

During the lockdown periods, vendors from rural areas were unable to supply their customers directly due to movement restrictions, since most of them live outside the lockdown areas. Nevertheless, food was always available through middlemen selling door-to-door or online. The vendors returned to the market stalls once the restrictions were lifted and things are now almost back to normal. Some vendors established roadside stalls to avoid crowds and practice physical distancing in public places. This is particularly common in Suva. As previously mentioned, curfew hours also affected the wholesale markets, making it difficult for the vendors to reach the markets with adequate time to set up before customers arrived. Changes in the curfew hours have greatly improved the situation.

Some producers have taken the initiative to sell both cooked and fresh products, including vegetables, fruits, root crops and seafood, online. The revival of an old Fijian tradition of bartering goods to ease economic stress was extremely helpful to affected families during the crisis. Many families used social media to exchange groceries, vegetables, root crops, seafoods, baby milk and diapers. This initiative continues (Darmadi, 2020).

The transport of goods within and between islands in Fiji remains open and local shipping companies are operational. International cargo ship face no restrictions, aside from the normal health checks at the port of entry. During the lockdown in April, some exporters experienced temporary difficulties in sending their products to overseas markets and instead sold them in the local market. This was the case for Fiji’s main root crop exporter; as a result, both the company and farmers lost their income and workers were laid off (Fiji Sun, 2020).
Recently, pork producer associations have complained about dumping practices by countries such as Australia and have argued for higher duties on imported meat products. The producers have been badly hit by this crisis because the tourism industry accounted for 60 percent of the market for pork products (Narayan, 2020).

COVID-19-related restrictions and quotas in major rice producing countries, such as Vietnam and India, could affect Fijian imports. As noted previously, the MoA is actively promoting rice production for home consumption in order to achieve greater levels of self-sufficiency and decrease dependence on international trade.

What have been the effects of the crisis and government measures on livelihoods, food security and malnutrition status, and future prospects?

The fact that the Government of Fiji has been able to contain the COVID-19 outbreak must be counted as a major success. The food in shops and markets has remained available throughout the crisis despite panic buying in the early days of border restrictions, especially in urban areas. However, prices for vegetables, fruits and root crops showed a marked increase during the lockdown period prices due to logistical issues around moving produce. According to periodic surveys conducted by the Stats unit of the Ministry of Agriculture in thirteen different markets in the Suva area, root crops such as cassava recorded an 8 percent price increase while dalo had a 75 percent increase. The price of banana increased by 14 percent and the most commonly consumed vegetables (Chinese cabbage, rourou, okra, ota, eggplant, long bean, tubua, bele and pumpkin) had price increases ranging from 11 percent to 36 percent. Prices fell to normal levels once the movement restrictions were lifted. At the moment, prices for vegetables and root crops have slightly dropped in the Central Division and in some parts of the Western Division, such as Lautoka (Sauvakacolo, 2020).

Remittances, which represent 5.1 percent of Fiji’s GDP (World Bank, 2018), are projected to fall by 15 percent, as the Minister of Economy stated in his budget speech to Parliament (Minister of Economy, 2020b). In 2019, personal remittances stood at FJD 587.5 million (USD 279.5 million) in 2019 and are forecast to decrease to FJD 499.5 million (USD 237.7 million) in 2020. In 2021 and 2022, remittances are projected to grow by 14.1 percent and 10.0 percent, respectively, driven by anticipated global growth (MoE, 2020). Personal remittances include money sent to the families of labour migrants and overseas rugby players, salaries and allowances of expatriates and pensions for retirees.

The Government has reduced the travelling subsidies available for pensioners from FJD 40 (USD 18) to FJD 20 (USD 9) and, recently, to FJD 10 (USD 4).

The Fiji Women’s Crisis Centre reported a massive increase in domestic violence cases during the first three weeks of April – from 87 reports in February to 527 in April, the same amount as reported for the previous full year. In June, the Fiji Civil Society Organizations (CSO) Alliance for COVID-19 Humanitarian Response in Fiji, reported an increase of 200 percent in violence against women, based on reports received by its member organizations.¹

During the months that school children remained at home because of COVID-19 there were no alternatives available for providing them with school meals nor with caregivers.

¹ The CSO includes the Foundation for Rural Integrated Enterprises & Development (FRIEND), Fiji Women’s Crisis Centre, Diverse Voices and Action (DIVA) for Equality, Citizens’ Constitutional Forum, Social Empowerment and Education Programme (SEEP), femLINKpacific, Rainbow Pride Foundation and the Fiji Women’s Rights Movement.
Which groups are most likely to be severely impacted by the COVID-19 pandemic and the associated measures?

The pandemic has had a devastating effect on the Fijian labour force overall. During the International Labour Organization’s Global Summit on COVID-19 in July, the Prime Minister confirmed that 115 000 Fijians – one third of the Fijian workforce – had lost their jobs or had reduced hours as a result of COVID-19. In addition, some companies have asked their workers to take less pay or to take leave without pay in order to keep the business afloat. Businesses targeting the tourism market have been badly struck by the crisis. This includes food producers (Deo, 2020).

Casual and daily workers in urban and rural areas were severely affected by movement restrictions during the lockdown. This included vendors selling and delivering food in the urban areas and informal field workers in the rural areas. Some urban workers that have lost their jobs have moved back to their home villages where, despite limited opportunities to make a living, life is relatively inexpensive and they can grow food in their gardens and, if they live in coastal areas, catch fish in the sea.

Urban households are more vulnerable to spikes in food prices than are rural dwellers, but the latter have more limited access to foods in shops in case of transportation irregularities. In particular, households in areas that can only be reached by boat are more likely to see their food supply affected by restrictions in movement and irregular transport by cargo boats. People in densely populated informal urban settlements will most likely be negatively affected by job losses and reduced incomes as they cannot grow their own food, falling into food and nutrition insecurity from these groups.² The Itaukei group (56 percent of the population), who usually live in remote communities, are more vulnerable to irregular transportation as they depend on urban areas for their food supply from urban areas. Fijians of Indian descent in rural areas (33 percent of rural population) are also vulnerable to transport disruptions, which could lead to scarcity or higher prices for staple foods. This group of population has less access to land, which may expose them to greater challenges.

People living rural areas, and especially those in remote communities, are more vulnerable to irregular transportation for their food supply from urban areas. Transport disruptions could lead to scarcity or higher prices for staple foods. Fijians of Indian descent in rural areas (33 percent of rural population) who have less access to land may be exposed to greater challenges.³

Women are a highly vulnerable group for a variety of reasons. Women have less access to land and other key agriculture inputs and resources and are more likely to have non-secure informal jobs in agriculture and fisheries. When the food security situation becomes worse in poor families, women are likely to prioritize feeding their children and dependent elderly relatives over themselves. As noted previously, there are concerns around increased gender-based violence and abuse related to COVID-19. The MoWCPA confirmed a major spike in the number of calls concerning domestic violence; almost 50 percent were linked to COVID-19 issues such as

² Official information on the informal settlements is not available. Estimates in newspapers and interviews with people working in settlements calculate that Fiji has between 250 and 300 settlements occupied by between 130 000 and 200 000 people. The largest informal settlement in Suva has a population of over 3 000 people of mostly iTaukei and Indian descent. resides there.

³ In Fiji almost 90 percent of total land and is held by the iTaukei. State land amounts to just 4 percent of the land in the country and freehold land, which can be purchased, transferred or leased, represents 6 percent of total land in Fiji. Policy Effectiveness Analysis for Fiji. FIRST. 2020.
restrictions and economic strains and close to 75 percent were from women reporting physical harm (Hamilton, 2020). The MoWCPA has formed two working groups, the Gender Based Violence (GBV) Working Group and the COVID-19 Response Gender Working Group, to protect the welfare of women. The former will advance prevention and response to violence against women and girls (VAWG) during emergencies, while the latter will analyse the impact of COVID-19 on Fijian women and girls.

Obesity, which is higher than 30 percent in adults, may continue to increase during the pandemic period as more people are at home, doing less physical exercise and eating more unhealthy cheap foods since income is limited.

**FOOD FOR REFLECTION: LONG-TERM POLICY IMPLICATIONS**

This section aims to prompt thinking and dialogue on the longer-term implications of COVID-19 in terms of managing the food system to prevent a health crisis becoming a food security and nutrition emergency.

What structural factors are exacerbating the impacts of crises such as COVID-19? What are the related longer-term policy implications, for example, in terms of long and fragile supply chains or weak biosafety controls?

Fiji’s geographical characteristics pose a major challenge to the country’s development, with significant distances between islands and low population densities, making it difficult to exploit economies of scale for delivering products and services. The country is highly dependent on food imports: in 2015, just 32 percent of the country’s food was sourced domestically. One problem is the scarcity of freehold land, making it difficult to increase the area available for agricultural production. Idle land or land held by people whose lease has expired should be reallocated to agriculture. The agrifood system is buffeted by extreme weather events, including heavy rainfall, which take place from September to April each year.

Fiji depends heavily on tourism, which represents up to 40 percent of GDP. The industry is expected to decline by 75 percent during the pandemic due to restrictions on travel from abroad. Fiji needs long-term strategies that will allow it to maintain some degree of self-sufficiency to buffer the impacts of any potential crisis on tourism and the food system. Farmers need incentives and better access to agricultural inputs to increase production for the domestic food supply. These issues are currently under discussion in the Ministry of Agriculture.

The recent Pacific Island Export Survey (PTI Australia, 2020) highlights the high costs and challenging logistics facing exporters in the region. The survey identified low volume and long distances as the main reasons behind prohibitively high transportation costs.

How might the food system evolve or change following the crisis?

The need to innovate agrifood systems is being increasingly acknowledged in discussions among key decision-makers. Some structural changes are required. There is a great deal of room for increasing national food production and imports substitution as well as for boosting exports to neighbouring countries in the Pacific.

Fijians need incentives to change their diets in favour of local foods and to move away from unhealthy ultra-processed foods. Policy responses that increase the price of unhealthy imports have not always worked, since they continue to be affordable to many consumers. Increased prices should thus be combined with other strategies, such as food displays, nutritional education
campaigns and the use of food labelling that enables better consumer decisions. The government also needs to work closely with the private sector. Since the crisis began, people have turned to informal food businesses selling food in the streets and door-to-door without much understanding of hygiene or food safety practices. The recent government decision to abolish business licences as from 1 August is bound to increase informal food sales and hence the need for food safety training. There could be an opportunity to complement such training with the promotion of healthy food for their customers.

Do you expect the relative roles of the private and public sectors to change in the future?

It is likely that public-private partnerships will grow stronger in the wake of the crisis as Fiji steps up efforts to increase commercial agriculture. The government has set up an MSME unit under the MoCTTT to formulate, implement and enhance policies and strategies to strengthen agricultural enterprises and monitor their performance. Other relevant measures include reducing bureaucratic hurdles for Fijians seeking to obtain a business licence, tax registration and necessary certification through online procedures; the reduction of the penalty for late tax payment for business from up to 300 percent to 15 percent annually and deferment of payments. A total of FJD 3.4 billion (USD 1.6 billion) in tax payments has been deferred and the Association of Banks, which includes all major banks in the country, will study additional extensions until 31 December to support micro, small and medium enterprises on a case by case basis (Ministry of Economy, 2020b).

The FCCC is expected to play a strong role in monitoring food prices, as it has been since the beginning of the crisis. In addition to controlling price spikes, the Commission is now expected to determine whether consumer prices reflect the multiple tax reductions included in the 2020-21 budget and to enforce compliance.

Are there discussions in the country about ‘building back better’ food systems?

The growing attention to local food production reflects Fiji’s aim to reduce its reliance on food imports and its vulnerability to disruptions in supply chains due to crises such as COVID-19. Contract farming initiatives that guarantee income for small-scale farmers could be useful in this regard. Farmers are currently contracted for three years, but if these initiatives achieve good results will certainly remain in the sector beyond this period of crisis. The government is providing rice growers with access to machinery (mills, harvesters etc.), which implies a certain degree of aggregation and better market options. The results will need to be assessed to decide further actions. A new greenhouse will be established this year at the Ministry of Agriculture’s Koronivia Research Station with the support of the Canada Fund for Local Initiatives for the production of seeds and planting materials. In order to limit price spikes on food items, such as fresh fish that are important for food security and the nutrition of poor households, the government could ensure that such increases do not involve large traders exercising uneven market power and creating unfair competition.

Are structural changes occurring, or could occur, that make it more difficult to achieve nutrition goals?

The prevalence of overweight and obesity as well as non-communicable diseases (NCDs) will likely increase as people consume greater quantities of cheap, unhealthy foods due to the livelihood impacts of the pandemic. If the current trends in food availability and prices continue, Fijians will continue to eat more cereals than local staples: six people can be fed with FJD 2 of rice (around 0.5 USD), whereas the same amount of money can only provide enough local cassava or dalo to feed one or two people. While the government has made efforts to address nutrition through the
Ministry of Health, indicators have continued to increase at an alarming rate. A delay in the approval of Fiji’s Food and Nutrition Policy has made it a challenge to work across sectors to bring food and nutrition issues to the forefront. However, recent developments and the pre-approval of a budget by the Ministry of Economy are promising signs that this multi-sectoral effort will soon move forward. Protectionist tariff measures in support of local manufacturers will be reviewed to avoid market-distortions. This measure will ensure local foods are available at an affordable price for the local market and will contribute to an increase in the consumption of local healthy foods.

What changes are needed in governance systems to face future crises?

Many Pacific countries are highly centralized, including Fiji, where economic activity, public services and decision-making is concentrated in a few urban centres. This is in part due to the geographic challenges associated with delivering public services to a population that lives on more than 100 islands, with very low population densities in most cases.

The government is already undertaking some measures to strengthen its capacities in the divisions and at the provincial level. The Northern Connectivity project, which will facilitate access to power, equipment and internet, as well as other emergency portable satellite-based solutions to schools and health centres in the Northern Division, is an important example. Additional efforts are underway to extend national internet coverage and to close digital gaps. For its part, the MoA has started a reform process to decentralize its offices in the four divisions, improve communication and technology and strengthen its capacity for research, extension, policy and planning.

The loss of urban jobs due to the pandemic has pushed some people back to their villages in rural areas and small islands, shining a light on the lack of public services and income-generating opportunities outside of the cities. Enhancing rural livelihoods through new income-earning opportunities both on- and off-farm activities could be an important strategy for weathering future crises. What is needed is greater investment in infrastructure and basic services to underpin the development of rural economies with attractive prospects for young people.

Tourism should also be revamped at the national level. Currently the Western Division is the tourism hub for Fiji, where most touring activities originate at the big international airport in Nadi. The government may need to consider developing additional tourism hubs in the Northern, Eastern and Central Divisions, as well as promoting income-generating tourism opportunities throughout the country.

Are national self-sufficiency policies likely to prevail?

The Ministry of Agriculture is confident that Fiji can achieve nearly sixty-six percent self-sufficiency in rice production this year. Self-sufficiency as a goal is included in Fiji’s response to the COVID-19 crisis, however, the government appears determined to pursue this objective beyond the pandemic. For example, the government is distributing rice seeds and milling machinery to farmers and villagers, especially in sugarcane growing areas as an alternative to sugar, whose importance, due to challenges related to commercial viability, industry competitiveness and sustainability, had been decreasing over the past years in both the agriculture sector and the national economy (Sugar Industry Stakeholder Action Group, 2012).

Are measures employed during the epidemic, such as food deliveries and electronic transactions, likely to remain?
While electronic transactions are not available to everyone, especially in rural areas, they will continue to benefit urban consumers, as well as SMEs and vendors with access to the technology of ordering and delivering food. In the long term, using online technology will be an essential way of marketing for SMEs. The MOA’s Strategic Development Plan 2019-2023 includes information, communication and technology (ICT) initiatives for the agriculture sector relating to value chain opportunities, financial literacy, business planning and farm management.

**How will the crisis shape agrifood policies, given major emerging challenges such as climate change, biodiversity and environment degradation?**

Although vulnerability to climate change and climate-related disasters are a priority in government policies, a more proactive approach to deforestation, soil erosion, and pollution caused by agrochemicals is needed to ensure continued food security during crisis events. The key environmental challenges facing Fiji are more relevant than ever, now that the government has made clear its intention to boost local food production and scale up backyard gardening in rural, peri-urban and urban areas across the country.

The COVID-19 crisis is surrounded by substantial uncertainty: many aspects of the disease and its consequences are still unknown and the situation is changing rapidly. This forces governments to continuously adapt its response to the pandemic, while having to decide between protecting the health of Fijians and reactivating the economy. The actual impact of COVID-19 on food and nutrition security in Fiji will depend on the duration of the crisis and the success of the government’s response measures. It is still very early to know how the crisis will impact Fiji’s agrifood policies beyond this period. It is hoped that addressing the weaknesses and vulnerabilities of the food system that the crisis has exposed will remain policy priorities in future. This will include better risk management and a more proactive approach to preparedness.

**What debates are taking place at the country level concerning how food systems, health systems, and financial and economic systems could have been better prepared to address, slow down and possibly prevent this (or a future) crisis?**

The issue was discussed in June, in a workshop – ‘Food Security and Nutrition Implications of COVID-19 in Fiji’ – which involved participants from government, donor agencies and NGOs. The workshop was funded by FiRST and co-organized by the national Food Security and Livelihoods cluster. After that, additional partners from farmers associations to the private sector will be brought into the conversation to enrich the debate in subsequent encounters planned for September in the cities of Suva and Sigatoka.

Despite the fact that Fiji has had only a few cases of COVID-19, the pandemic has had a major impact on the economy as the country continues to slide into recession. Recovery is very slow, marked by ongoing economic instability, high unemployment, reduced investment opportunities and the possibility of political instability. As the crisis continues, the government budget and services will become ever more stretched and social protection measures may reach everyone that need them. A reduction in education services may have a long-term impact on young people.

As Fiji’s vulnerability increases, the impact of natural shocks and disasters may worsen. Informal settlements and migration may increase as people continue to drop out of formal employment, forced into borrowing and debt. Unhealthy, imported, cheap foods may be increasingly be the only affordable option for vulnerable groups, leading to malnutrition and NCDs.

Intraregional trade could increase in the wake of the crisis, and Fiji can take advantage of this opportunity. In addition, determined efforts to boost national food production will reduce Fiji’s dependency on imported food. The recovery also presents an opportunity to build a climate-
smart, risk-informed, resilient and sustainable economy. Fiji must maintain its commitment to promoting robust crops and livestock, strengthening organic agriculture and focusing on renewable sources of energy. Agricultural insurance has been mentioned as a way to increase the resilience of farmers to further shocks.

Key recommendations include developing a broader-based economy and focusing on non-tourism related industries; creating opportunities for investment and nurturing opportunities for donor and partner funding and technical support. Decreasing interest rates could improve liquidity and keep the economy fluid. Promoting self-sufficiency – including at household, community and national levels – is an important strategy. Harnessing cultural concepts such as ‘solesalevaki’ (or communal work for the collective good) as well as highlighting the potential of traditional knowledge and training on growing and preparing traditional foods may help communities to flourish in a post-pandemic world.

5 · INFORMATION AND GOVERNANCE

Is the government equipped with the administrative and governance capacities to implement new policies and programmes and enforce restrictions?

Capacities of government officers key for the implementation of new policies and programmes to deal with COVID-19 on the ground, need to be strengthened. In dealing with such crisis the connection between offices of the essential ministries as Agriculture, Fisheries or Health in the provinces and the HQ level in Suva should be strong and the support to the field officers should improve, making sure that they have access to the necessary knowledge, skills and equipment and that efficient procedures are known by all the concerned workers and in place.

Has the crisis led to changes in the governance of the agrifood system?

Fiji’s central government was firmly in charge of the COVID-19 response, establishing a multi-agency steering committee in January to deal with the pandemic. The committee included representatives from the Office of the Prime Minister, Solicitor General’s Office, Ministries of Foreign Affairs, Industry, Trade and Tourism, Communications, Defence and National Security, the Biosecurity Authority of Fiji, Department of Civil Aviation, Fiji Revenue and Customs Service, Department of Immigration and the Fiji Police Force. However, decision making regarding concrete actions is mostly sector driven.

The Fiji Agricultural Marketing Authority (AMA), has been in the frontline of efforts to support food security, after the cyclone in April and during the COVID-19 lockdowns in March and April. The AMA is overseeing three-year contractual farming programmes that engage farmers to grow more market-targeted produce and commit to buy it at a certain previously-agreed price. In addition, AMA plans to open up collection centres to buy produce from local farmers.

The FCCC also played a prominent role during the crisis. Its price control mechanism for basic food items sold in supermarkets and retail shops has been actively enforced throughout the year and will continue in order to control price spikes as well as to guarantee that new tax reductions are reflected in the prices for consumers.

Have there been any studies of the cost of disruptions to the agrifood system (including hidden costs)?

In May, the Pacific Island Farmer Organizations Network (PIFON) conducted a study of the impact of COVID-19 under a project funded by the EU and IFAD (PIFON, 2020). The study found that farmers have been forced to adapt to new market dynamics due to disruptions along the supply
chain and to allocate more resources to local food security. The study acknowledges major
opportunities in the agricultural sector to boost the Pacific economy, and the need to work with
the government on exploring ways to promote the generation of better livelihoods in agriculture.
It also recommends a cohesive, collaborative approach by all industry sectors and players to
develop a strategic and step-wise recovery plan for the region as the immediate threats of
COVID-19 subside.

There have not yet been any studies on the cost of disruptions to the agrifood system in Fiji,
although global and regional reports have pointed out some of the costs of the COVID-19 crisis,
including the cost of inaction. A recent paper from the United Nations Office for the Coordination
of Humanitarian Affairs (OCHA) states that “waiting and then reacting when the full impacts are
already visible would be a more expensive proposition (Omtzigt and Pople, 2020).”

A draft paper from the Forum Islands Countries (FICs) highlights additional costs and limitations
in the fiscal space. Pacific countries are facing the huge costs in their health and other sectors by
increasing their borrowing, which will in turn increase their debt-servicing costs. At the same
time, these import-dependent economies are very vulnerable to disruptions on international
markets and potential rises in transportation costs, which are already very high for the region.

Several recent reports have stressed that the worst impacts of this crisis are being felt by Fijian
women and girls, as they bear greater burden of unpaid care, face greater barriers for entering
into formal employment, have less access to formal safety nets and finance and are suffering
increasing levels of gender violence (Hamilton, 2020; COVID-19 Response Gender Working
Group, 2020).

In July, the MoCTTT, with support from the International Finance Corporation (IFC), Australia’s
Department of Foreign Trade and Affairs (DFAT) and the New Zealand Foreign Affairs and Trade
Ministry (MFAT), published the results of a business survey focused on the tourism sector that
included almost 3,600 business owners and managers (IFC, 2020). Its main findings indicate that
if the situation continues, 29 percent of the tourism businesses and 11 percent of the non-tourism
businesses surveyed anticipate bankruptcy by November. It also shows that MSMEs and large
tourism companies have lost far more income than their peers in other sectors (MSMEs seven
times more and large companies twice as much income). The companies cannot pay their debts
and have put their staff on reduced hours, unpaid leave or furlough.

Are there discussions on the government’s current and future policy response to crises?

The Food Security Cluster Dialogue, supported by FAO and chaired by the Ministry of Agriculture,
facilitates a continuing policy conversation between government, international agencies and non-
governmental organizations. During lockdown, information on prices and the availability of food
crops was circulated through this forum.

As noted previously, FIRST recently organized a workshop on the food security and nutrition
implications of COVID-19. The workshop aimed to share information and engage in discussion
with government and non-governmental stakeholders; to understand what data is available and
identify potential information gaps; and to brainstorm possible innovative solutions to the
COVID-19 aftermath in the medium and long term. FIRST is currently preparing a policy brief
analysing the potential impacts of the crisis on food security and nutrition and proposing options
for enhancing the ongoing multi-partner dialogue.

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4 The COVID-19 Response Gender Working Group comprises of: Diverse Voices and Action (DIVA) for Equality Fiji, Fiji
Women’s Rights Movement (FWRM), UN Women Fiji Multi-Country Office (MCO), the Asian Development Bank and
the Ministry of Women, Children and PovertyAlleviation (MWCPA).
REFERENCES


National agrifood systems and COVID-19 in Fiji
Effects, policy responses, and long-term implications


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