



MINISTRY OF SUGAR INDUSTRY

2021 – 2022

ANNUAL REPORT



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ACRONYMS

 ACP	Annual Costed Operational Plan
 CAR	Cane Access Road
 CPG	Cane Planting Grant
 FSC	Fiji Sugar Corporation
 iTLTB	iTaukei Land Trust Board
 MoSI	Ministry of Sugar Industry
 SCGC	Sugar Cane Growers Council
 SCGF	Sugar Cane Growers Fund
 SDGs	Sustainable Development Goals
 SGS	Small Grants Scheme
 SIT	Sugar Industry Tribunal
 SPFL	South Pacific Fertilizer Limited
 SRIF	Sugar Research Institute of Fiji
 PSC	Project Steering Committee
 RIE	Requisition to Incur Expenditure

About the Sugar Industry

The sugar industry in Fiji has historically been a cornerstone of the country's economy, playing a central role in both agriculture and trade. Sugarcane farming is concentrated in the Western and Northern regions of Fiji, on the main islands of Viti Levu and Vanua Levu.

The industry has a rich history, with sugarcane cultivation being introduced by the British in the 1880s. In the 1990s, sugar became the country's one of the most important agricultural commodities, providing livelihoods for thousands of families. The raw sugar produced in Fiji is primarily exported to international markets, especially to the European Union, and the United States of America.

The industry, however, has faced numerous challenges in recent years, including fluctuating global sugar prices, climate change, and the impact of natural disasters like cyclones, which severely damages crops. Additionally, issues such as aging sugar mills, limited access to modern farming technology, and the migration of younger generations away from farming, the environmental impact, including water logging, salt-water intrusion and land degradation, has caused adverse impact on cane production.

Despite these challenges, the Fijian Government acknowledges the importance of the industry and continues to support the sector through various initiatives aimed at modernizing and sustaining the industry. Efforts to improve infrastructure, investment in mill upgrading, and support to farmers through training programs are helping to ensure the continued relevance of the sugar industry in Fiji's economy.



Cane carted via lorry to sugar mill

SUGAR INDUSTRY INSTITUTIONS CHALLENGES AND ACHIEVEMENTS

FIJI SUGAR CORPORATION

The Fiji Sugar Corporation (FSC) as a sugar milling company in Fiji plays a crucial role in the country's sugar industry. Established in 1961, FSC was formed to streamline and modernize the management of Fiji's sugar mills. FSC oversees the milling, manufacturing, and marketing of sugar, and currently it operates three sugar mills across the country, providing essential services to farmers, including technical assistance, training, and providing inputs like fertilizers and weedicides. Over the years, FSC has faced numerous challenges, including aging infrastructure, fluctuating global sugar prices, and the impacts of climate change, but it remains an integral part of Fiji's agricultural and economic landscape.



During the financial year 2021-2022, FSC experienced extreme financial distress, attributed mainly to various uncontrollable factors ranging from the spate of natural disasters, volatility in the world sugar price, milling inefficiencies resulting from the failed mill upgrade project (STM), declining cane production and deteriorating cane quality. The debt commitments arising from legacy borrowings with reduced revenue had further exacerbated the already constrained cash flow situation.

Over the years, the climate change has adversely affected the sugarcane industry. For the past 5-7 years, the large number of natural disasters including cyclones and droughts have had detrimental impacts on the farms across the country, evident in the form of reduced yield per hectare, poor cane quality, deteriorating soil health, damages to crops, infrastructure and mills.

FSC continued to operate its estate farms, which contributed to approximately 3% of the total cane production, and managed four joint ventures in Labasa. It also oversaw the use of lorries and supported growers through Government-funded lorry purchases, providing competitive cartage rates.



Don't believe us? Try it for yourself!

Authentic Fijian Sugar

SUGAR CANE GROWERS FUND

The Sugar Cane Growers Fund (SCGF) supports Fiji's sugar industry by offering affordable loans to farmers for farm development, recovery, and sustainability. It promotes green farming, provides disaster recovery support, and partners in healthcare and loyalty programs to improve farmer welfare.



The key challenges for both the industry and SCGF include climatic effects, high production and transport costs, unproductive farms, lease terms, and labor shortages impacting production, earnings, and the loan portfolio. These factors led to loan arrears. SCGF remained flexible in account rehabilitation, with legal action and mortgage sales as a last resort. It is also a challenge to dispose of the farms and recover the loans, as due to past practices in lack of monitoring and controls, the impairment had been high. This had improved with a robust system and process in place with adequate Board reporting. The industry's reliance on government subsidies means that without support, over 90% of SCGF's \$25 million loan portfolio would face payment stress. SCGF must review its operations and the SCGF Act, while maintaining its priority to support the industry.

In terms of policies the SCGF strengthened its governance environment by reviewing and introducing the new policy framework that included Corporate Governance policy, Enterprise Risk Management, CCTV policy, Digital Service Policy, Whistle-blower and Complaints Management Policy framework. SCGF reviewed its Lending policy that allowed flexibility in loans. It also introduced various processes and controls across the business.

In 2022, SCGF introduced a 50% discount on loan application fees for climate change and women empowerment, supporting SDGs. It launched Ginger loan funding with the Ministry of Agriculture and Business Link Pacific (BLP), revamped its website, held staff awards, and introduced new SDG initiatives officiated by His Excellency the President of Fiji. In May, the BLP loan was launched in Rakiraki by the Minister for Agriculture, New Zealand High Commissioner, and BLP executives. In June, 600 Northern cane growers had \$536,445.43 in tropical cyclone Yasa Loans paid off by the Government. In August, SCGF relaunched the FNPf Smart Retirement Plan to raise awareness among farm-owning professionals post-COVID-19.



BLP Launch in Rakiraki

SOUTH PACIFIC FERTILIZER LIMITED

South Pacific Fertilizers Limited (SPFL) plays a crucial role in supporting Fiji's sugar industry by ensuring the consistent production and supply of fertilizers for sugarcane farming. SPFL operates with a strong focus on the needs and interests of local farmers.



The Ministry implements fertilizer and weedicide subsidy through SPFL. The company manufactures and distributes key fertilizer blends, such as Blend C, which is widely used by over 12,000 sugarcane growers across the country collaborates with other major stakeholders in the industry, including the Fiji Sugar Corporation, the Sugar Research Institute of Fiji, and the Sugarcane Growers Council, to support strategic planning and development initiatives aimed at boosting the productivity and sustainability of the sugar sector.

Below is the breakdown of the number of bags of fertilizer distributed for the 2021-2022 period (August 2021 to July 2022), the key achievements of SPFL.

Table 1. Fertilizer Subsidy Program:

Blend Type	Quantity (50 kg bags)	Percentage of Target Achieved
Blend A	18,661	102%
Blend B	68,105	90%
Blend C	458,943	116%
Total	545,709	112%

Source: SPFL

Table 2. Weedicide Subsidy Program:

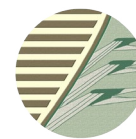
Weedicide Type	Quantity	Percentage of Target Achieved
Diuron	73,360 kg	95%
Amine	175,880 liters	91%
Valpar	28,830 kg	186%

Source: SPFL



SUGAR CANE GROWERS COUNCIL

The Sugar Cane Growers Council (SCGC) plays a crucial role in supporting and representing sugar cane farmers, advocating for their interests in policy and market access. It provides technical assistance, training, and research to improve farming practices and productivity, while ensuring the quality of sugar cane through standards and quality control. The SCGC works to secure fair pricing, resolve disputes, and promote sustainability within the industry. Additionally, it facilitates financial support, and lobbies for favorable policies to ensure the long-term viability and profitability of sugar cane farming.



The SCGC faced several challenges during the 2021-2022 period but achieved notable successes. The depleting grower portfolio signifies the loss of hope of few growers who have decided not to continue with cane farming. Alternate reasons such as death of grower, lack of support hands or no one in the family to continue cane farming. Principally, cane growing business needs a continuity in terms of sustainability of the industry.

Growers continued to face many challenges, including unreliable rail transport, inefficient milling, and high lease renewal costs in cane farming. However, the morale of growers is enriched with government subsidy programs in addressing the increasing cost. Grants such as planting of new canes are tangible aspects of deliveries reaching to growers. SCGC, on behalf of growers, acknowledges the recognition bestowed to the growers by the Government. While the supply of labour through Fiji Correction Services was appreciated on the hindsight the movement of expert operators was complemented by the local operators gaining experience.



Grower receiving Bundled Insurance cheque

SUGAR RESEARCH INSTITUTE OF FIJI

The Sugar Research Institute of Fiji (SRIF), founded in 2006, plays a key role in advancing the country's sugar industry by providing research, development, and extension services. Its core areas of focus include sugarcane breeding, pest and disease management, soil health, and fertilizer optimization. SRIF is also involved in producing disease-free seed cane, improving farm management practices, and exploring diversification opportunities to ensure long-term sustainability and efficiency in the sector. To support SRIF's operations, the Ministry allocated an operational grant of \$0.67 million. Progress, however, has been constrained by outdated infrastructure and a lack of modern farm machinery, which impedes the adoption of improved techniques. Conducting trials across multiple locations poses logistical difficulties, slowing down research advancements. The COVID-19 pandemic further disrupted fieldwork and operational activities. In 2022, the shortage of skilled personnel delayed the departmental functions, while industry uptake of seed cane remained worryingly low at under 6%. Limited access to equipment and labor also continued to affect performance.



Despite these challenges, SRIF conducted 27 sugarcane research projects in 2022. A record 6,274 sugarcane crosses were achieved. The institute also imported four new clones from the Mauritius Sugarcane Industry Research Institute (MSIRI) and sowed 690 fuzzi. In the LF2022 Stage 1 trial, 21,691 seedlings were planted, followed by 548 clones in Stage 2. Six promising varieties are now undergoing assessment for possible use in farmer field trials and large-scale milling.

The institute also provides soil testing services to guide fertilizer use and boost cane yields. A total of 1,683 soil samples were processed at laboratories in Lautoka and Labasa, with results for 1,065 samples shared with farmers within two to six weeks. Nutrient trials were carried out to assess nitrogen, phosphorus, and potassium effectiveness. In addition, 12 demonstration plots were established in Lautoka, Rarawai, and Labasa to promote sustainable practices like trash blanketing and intercropping. SRIF also facilitated 33 Farmer Field Days and 36 Farmer Field Schools across all three mill regions and delivered 1,665 tons of quality seed cane for planting.



Participants of the Farm Advisors Training at SRIF, Lautoka

SUGAR INDUSTRY TRIBUNAL

The Sugar Industry Tribunal (SIT) in Fiji plays a crucial role in regulating the sugar sector, which is a significant part of the country's economy. Its primary responsibility is to establish and maintain the Master Award, which governs the contractual relationship between sugarcane farmers and the Fiji Sugar Corporation (FSC). The Tribunal determines key terms such as payment rates and delivery obligations, ensuring fair practices between stakeholders and maintaining industry stability. The Tribunal is responsible for overseeing the financial transactions of the sugar industry, ensuring that farmers are paid fairly for their cane. It also holds regulatory authority over the industry, including determining mill areas and sector boundaries.



During the financial year 2021-2022, the SIT achieved several important milestones despite the ongoing challenges facing the industry. The SIT successfully facilitated dispute resolution between cane growers and millers, which helped maintain industry stability and minimized disruptions during the crushing season. SIT also played a crucial role in ensuring compliance with the Sugar Industry Act by overseeing fair and transparent contractual agreements across the supply chain. The Tribunal strengthened its coordination with stakeholders-including growers, millers, and mechanical harvester operators-through regular consultations aimed at improving communication and addressing field-level concerns.



Manual sugarcane harvesting

LETTER OF TRANSMITTAL

The Honorable Minister,

Dear Sir,

I present to you the Annual Report of the Ministry of Sugar Industry for the year ended 31st July 2022.

This report has been prepared for the purpose of *Financial Management Act 2004*, which requires that I submit an annual report for presentation to the Parliament of Fiji.

The report consists of the Ministry's Annual Performance Statement in accordance with the Annual Corporate Plan, together with its audited Financial Statements.

In presenting the Annual Report, I am pleased to commend the exceptional efforts of our staffs in achieving the strategic objectives as outlined in the Annual Corporate Plan of the Ministry of Sugar Industry.

Yours sincerely,



Dr. Vinesh Kumar
Permanent Secretary

ABOUT THE REPORT

2021-2022

The Ministry of Sugar Industry Annual Report highlights the Ministry's performance in accordance with the Annual Costed Operational Plan (ACP) and Annual Budget for the year. The report consists of details of performance measures from 1st August 2021 to 31st July 2022.

This report will provide achievements of the Ministry in areas of:

- 1) Overview of the Ministry including Ministry's Corporate Profile, Stakeholders, Ministry's Service plus Purpose, and Strategic Priorities.
- 2) Human Resource Administration
- 3) Analysis of the Ministry's Annual Performance
- 4) Ministry's Annual Financial Statements

Permanent Secretary Statement



I am pleased to present the Ministry of Sugar Industry's 2021-2022 Annual Report in accordance with the General Order 1108(a).

The year saw many challenges to the industry and the Ministry. Tropical cyclones Yasa hit Fiji in December 2020 while TC Ana approached Fiji in January 2021 causing many incomparable damages where properties, homes, farms and infrastructure were damaged. The impact continued in 2021-2022 crop season.

For the 2021/2022 financial year, the Ministry was allocated a sum of \$72.2 million to execute seven capital programs namely, Sugarcane Development and Farmers Assistance - FSC (\$500,000); Cane Cartage (Penang to Rarawai) - FSC (\$3,768,823); Weedicide Subsidy - FSC (\$500,000); Cane Access Roads - FSC (\$2,000,000); Fertilizer Subsidy - FSC (\$15,620,136); New Farmers Assistance (\$250,000); Sugar Stabilization Fund – FSC (\$46,984,334).

In addition, operational grant was also provided to Sugar Research Institute of Fiji (SRIF), Sugar Industry Tribunal (SIT) and Sugarcane Growers Council (SCGC) to meet their administrative cost enabling them to continue improving service delivery to the industry.

During the year, a total of 149,000 tonnes of cane were carted under the Cane Cartage Program. Under the Sugar Development & Farmers Assistance Program, a total of 442.4 hectares of cane were planted. In terms of inputs under Fertilizer Subsidy Program a total of 545,709 bags of fertilizer, 175,880 liters of Amine, 73,360 kilograms of Diuron, and 28,830 kilograms of Valpar were distributed to farmers. Moreover, the Cane Access Road Program saw an upgrade of 3149.8 kilometers of cane access roads, enhancing transportation infrastructure for the farmers.

It is to be noted that part of the 2021 harvesting season (August to November) and part of the 2022 season (June to July) falls within the Government's 2021-2022 financial year. Therefore, it is prudent to report production for both the 2021 and 2022 season. In the 2021 season, a total of 1.4 million tonnes of cane were produced while 1.6 million tonnes of cane were produced in the 2022 season.

Dr. Vinesh Kumar
Permanent Secretary

OVERVIEW OF MINISTRY OF SUGAR INDUSTRY

I. MINISTRY CORPORATE PROFILE



VISION

- To create a vibrant, sustainable and globally competitive sugarcane industry



MISSION

- To successfully facilitate the implementation of sugarcane reforms and ensure timely, effective and efficient delivery of services to relevant stakeholders for a viable sugarcane industry



VALUES

- Integrity and Professionalism
- Transparency and Accountability
- Honesty and Commitment
- Customer Satisfaction
- Teamwork

II. MINISTRY OF SUGAR INDUSTRY'S STAKEHOLDERS

Internal Stakeholders

Fiji Sugar Corporation Ltd

Sugar Cane Growers Council

Sugar Industry Tribunal

Sugar Cane Growers Fund

Sugar Research Institute of Fiji

South Pacific Fertilizers Ltd

External Stakeholders

Cabinet

Ministry of Civil Service

Ministry of Economy

Ministry of Agriculture

Sugarcane Farmers

iTaukei Land Trust Board

Ministry of Lands &
Mineral Resources

Bilateral Partners

III. MINISTRY'S SERVICES AND PURPOSE

Approximately 20% of Fiji's population directly or indirectly rely on the sugar industry for their livelihood. The Ministry of Sugar Industry (MoSI) is responsible for laying down a stable foundation for a sustainable sugarcane industry.

The MoSI's responsibility is to coordinate activities and functions of industry institutions that make up the sugarcane industry with the sole objective of ensuring that Government's commitment to revive the industry is achieved through sound policies and reforms.

The MoSI implements key policies and plans to achieve higher economic growth whilst ensuring sustainability of Fiji's sugar industry. Ongoing partnership with relevant industry stakeholders will enable more land availability for productive purposes, encouraging cane cultivation, increase cane yield and sugar production.

The MoSI also initiates analysis on its policy and conducts research to develop adequate policies and strategies to improve sugarcane production and farming systems. It also ensures that effective and timely customer services are provided. The Ministry relentlessly does its utmost in improving its services, not only within its government agencies but to the industry, as a whole.

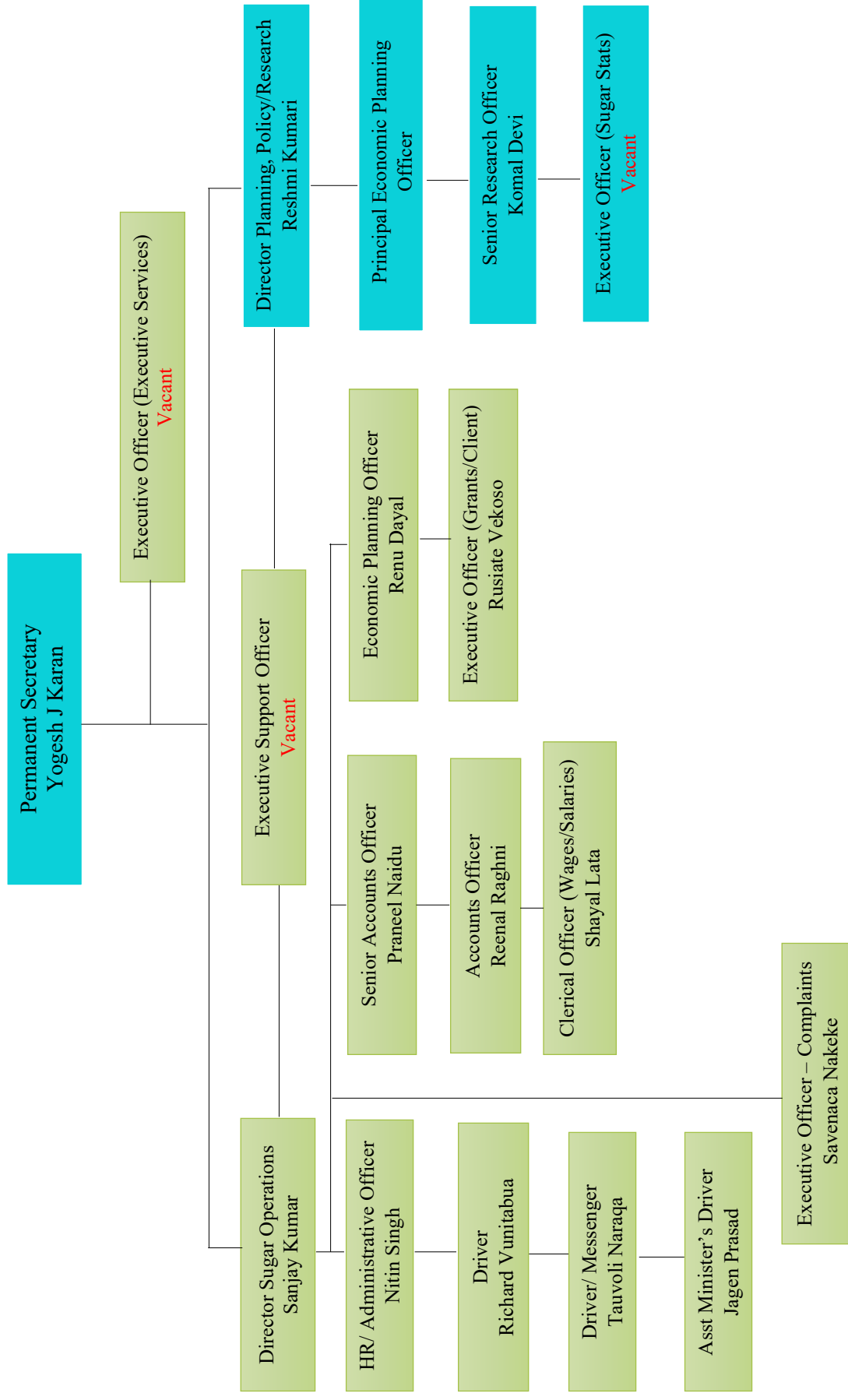
The MoSI also promotes an enabling environment for efficient delivery of services to the stakeholders throughout the sugarcane belt issues. The adoption of 'professional' services by the MoSI intends to promote maximum cane and sugar production annually together with increased investments in cane and mill technology. The aim is to ensure that right cane variety is cultivated to increase cane yield and that sugar mills operations are efficient to increase sugar production; thus, achieving better returns for both the miller and the farmers.

The MoSI ensures that funds provided by the Government are dispersed to responsible institutions and utilized in an efficient manner, such that these institution's programs are effectively implemented without hindrances.



Consultation meeting with growers in Vanua Levu

Figure 2: Organization Structure



IV. MINISTRY OF SUGAR INDUSTRY'S STRATEGIC PRIORITIES

Table 3: Sustainable Development Goals (SDGs)

The Ministry of Sugar Industry remains committed to advancing Fiji's sustainable development agenda in alignment with the United Nations Sustainable Development Goals (SDGs). Through targeted programs and strategic initiatives, the Ministry continues to strengthen the sugar sector's contribution to poverty reduction, food security, gender equality, economic growth, innovation, climate resilience, and sustainable land management.

The following section outlines the Ministry's key contributions to selected SDGs during the reporting period.

SDG	Target & Indicator	Key Initiatives	Outcomes and Impacts
SDG 1 –No Poverty	<p>Target 1.1: By 2030, eradicate extreme poverty for all people everywhere.</p> <p>Indicator 1.2.2: Proportion of men, women, and children living in poverty in all its dimensions according to national definitions.</p>	<p>New Farmers Assistance Program; Sugarcane Development & Farmer Assistance Program</p>	<p>Enhanced livelihoods and income stability among farmers; reduced poverty levels within sugar-dependent communities; aligned with national poverty reduction strategies.</p> <p>Under the minimum guaranteed cane price program, the government had allocated \$46.9 million and made its commitment to growers of \$85.00 per ton as the minimum cane price per ton of sugarcane.</p> <p>The government had allocated \$250,000 and paid 50% to a maximum of \$5,000 for lease offer costs for new farmers only who want to venture into cane farming.</p> <p>In the 2021-2022 financial year a total of 1,123 sugar cane farmers were assisted from Penang areas and a total of 149,000 tonnes of sugar cane were carted from Penang to Rarawai.</p> <p>Under the Sugarcane Development & Farmer Assistance Program (442.4 hectares of cane was planted).</p>
SDG 2 – Zero Hunger	<p>Target 2.3: Ensure small-scale food producers have access to land, resources, and inputs.</p> <p>Indicator 2.3.1: Volume of production per labour unit by class of farming enterprise.</p>	<p>Fertilizer Subsidy Program; Weedicide Subsidy Program; Sugar Cane Growers Fund (SCGF) Green Farming Initiative; Sugar Research Institute of Fiji (SRIF) soil health programs.</p>	<p>The government supported cane growers through two key programs. Under the Fertilizer Subsidy, farmers paid \$20 per 50kg bag of fertilizer, while the government covered the remaining \$60.90.</p> <p>The Weedicide Subsidy covered 20% of the cost for three major weedicides— Diuron, Valpar, and Amine.</p> <p>Cane yields and productivity were enhanced through the distribution of 545,709 fertilizer bags, 175,880 litres of Amine, 73,360 kg of Diuron, and 28,830 kg of</p>

SDG	Target & Indicator	Key Initiatives	Outcomes and Impacts
SDG 5 – Gender Equality	<p>Target 5.5: Ensure women’s full and effective participation in leadership and decision-making.</p> <p>Indicator 5.5.1: Proportion of seats held by women in local governments.</p>	Promotion of women in leadership roles within the sugar sector.	Valpar, which also strengthened small-scale producers’ resilience and improved soil health.
SDG 8 – Decent Work and Economic Growth	<p>Target 8.2: Achieve higher levels of economic productivity through diversification and innovation.</p> <p>Indicator 8.2.1: Annual growth rate of real GDP per employed person.</p>	<p>Post-COVID-19 recovery initiatives;</p> <p>Business Link Pacific (BLP) Loan Program;</p> <p>Tropical Cyclone Yasa Loan Relief Program;</p> <p>FNPF Smart Retirement Plan; Training and mechanization support.</p>	<p>Strengthened representation and empowerment of women in governance and leadership within the sugar industry with the appointment of Ms. Reshmi Kumari, Director of Policy Planning and Research, as Chairperson of the Sugar Cane Growers Council.</p> <p>Post-pandemic recovery in the sugar industry supported around 20% of Fiji’s population.</p> <p>In June, the government wrote off \$536,445.43 in TC Yasa loans for 600 cane growers from northern division. To support SDG 8, the BLP loan was launched in May in Rakiraki, and in August, SCGF relaunched the FNPF Smart Retirement Plan to raise awareness among farm-owning professionals.</p>
SDG 9 – Industry, Innovation and Infrastructure	<p>Target 9.5: Enhance research and technological capacity.</p> <p>Indicator 9.5.1: Research and development expenditure as a proportion of GDP.</p>	<p>Cane Access Road Program; Mill Upgrades; SRIF Research and Development Activities.</p>	<p>The sugar industry saw major infrastructure and research improvements. Two key projects at Lautoka mill enhanced boiler performance and upgraded the bagasse conveyor control system. Rarawai mill also completed two major projects to improve sugar production and turbine efficiency, while Labasa mill strengthened safety and power reliability through critical repairs.</p> <p>Additionally, 3, 130 cane access roads were upgraded, spanning 3, 149.8 km, along with 46 culvert installations and 17 crossings.</p> <p>In 2021, 20 grower trials were set up, increasing to 25 in 2022 due to better weather. Field days also grew from 24 in 2021 to 36 in 2022, supporting more sectors.</p>

SDG	Target & Indicator	Key Initiatives	Outcomes and Impacts
SDG 13 – Climate Action	<p>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>Indicator 13.1.1: Number of countries with national and local disaster risk reduction strategies.</p> <p>Target 13.2: Integrate climate change measures into national policies, strategies and planning.</p> <p>Indicator 13.2.1: Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production (including a national adaptation plan, nationally determined contribution, national communication, biennial update report or other),</p> <p>Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p> <p>Indicator 13.3.2: Number of countries that have communicated the strengthening of institutional, systemic and individual capacity-building to implement adaptation, mitigation and technology transfer, and development actions.</p>	<p>FSC Co-generation of electricity; Climate-resilient cane varieties; SRIF Meteorological Advisory Services.</p>	<p>Support for farmers included free fertilizer, weedicides, drainage clearing, and land preparation.</p> <p>Additionally, \$600,000 from the Cane Access Road Program was used to repair rail tracks in Daku and Wainikoro damaged by TC Yasa.</p> <p>SRIF focused on developing climate-resilient sugarcane varieties and used data from its meteorological station to advise farmers.</p> <p>FSC also contributed to SDG 13 by co-generating electricity for the national grid during Labasa mill operations and by supporting farmers affected by cyclones Yasa and Ana.</p> <p>To address climate education under SDG 13, SRIF and FSC ran outreach and technology transfer programs. In 2021, a three-day Farm Advisors Workshop trained 35 FSC advisors, and three field trainings followed. A Farmer Field School was also set up to help farmers adopt best practices.</p> <p>In seed cane development, 4.2 hectares were planted with Naidiri and Qamea varieties at FSC Waqadra Estate, with an additional 19 hectares planted in Lautoka, Nadi, and Sigatoka. In 2021, 21% of inspected cane qualified for seed certification, while in 2022, the qualification rate was 18%.</p>

SDG	Target & Indicator	Key Initiatives	Outcomes and Impacts
SDG 15 – Life on Land	Target 15.1: Ensure conservation and sustainable use of terrestrial ecosystems.	Promotion of Green Manuring by SRIF to enhance soil fertility and sustainability.	Efforts to improve soil health in cane-growing regions included cultivating green-manure crops, which reduced Root-knot, Stunt, Dagger, and Ring nematodes by an average of 4%. Root-knot nematodes specifically declined by 9%, while Lesion nematodes increased by 3%. Soil moisture improved by 15% due to the green manure. Moreover, SRIF analyzed 2,781 soil samples in 2021 and 2,271 in 2022, along with 708 plant samples in 2021.

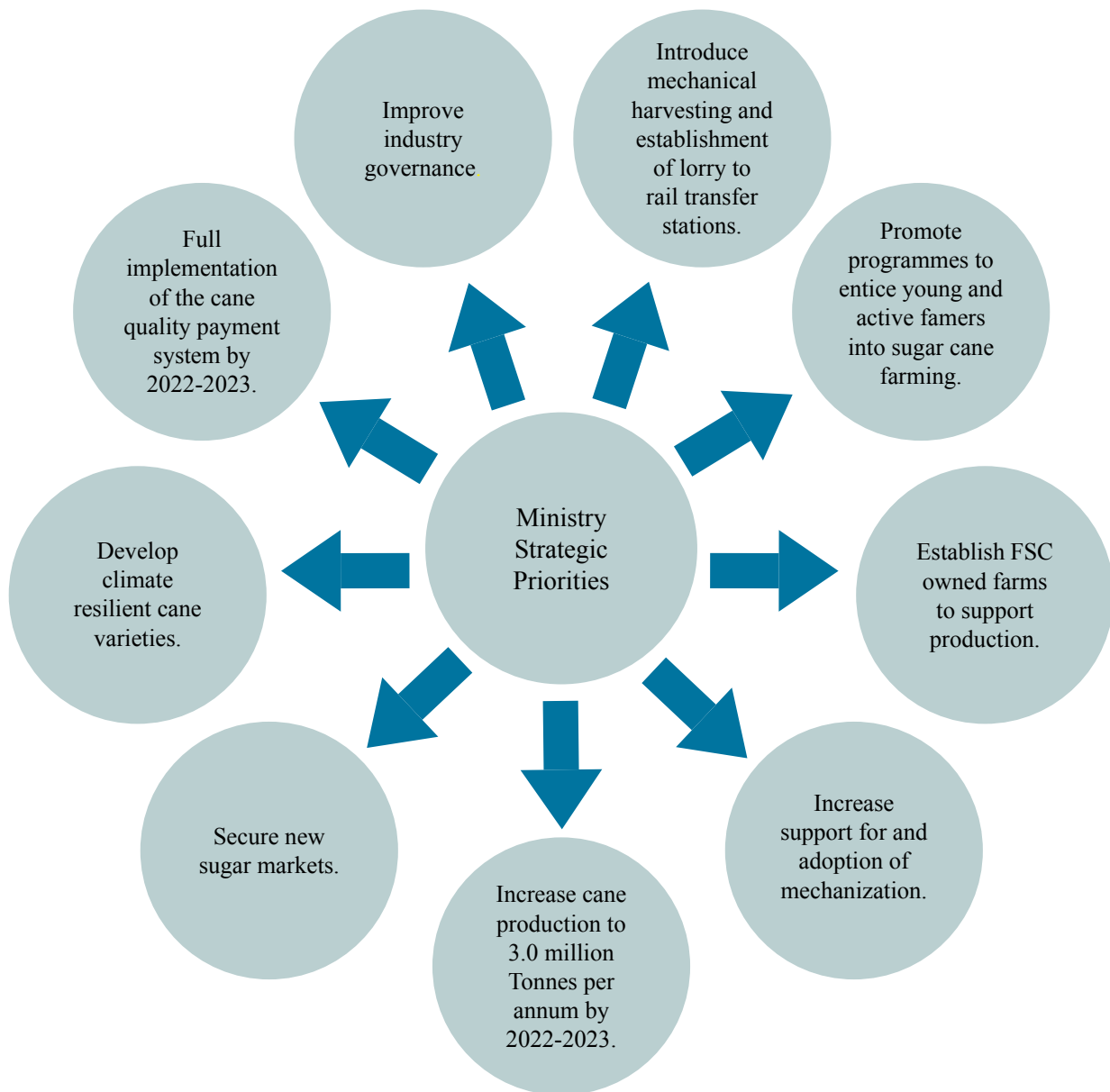
The Ministry’s strategic interventions continue to integrate sustainable development principles across all aspects of the sugar industry. By promoting economic empowerment, advancing gender inclusion, investing in infrastructure and research, and enhancing resilience to climate change, the Ministry contributes meaningfully to Fiji’s commitment to the 2030 Agenda for Sustainable Development.

These initiatives reflect a comprehensive approach that not only strengthens the sugar industry’s competitiveness but also ensures that its growth is inclusive, sustainable, and aligned with national and global development priorities.

National Development Plan

The 5-year and 20-year National Development Plan highlights the goal of the MoSI: *A Sustainable Sugar Industry*. The strategies aligned to achieve the overall goal of the Sugar Industry are as follows:

Figure 3: Ministry Strategic Priorities

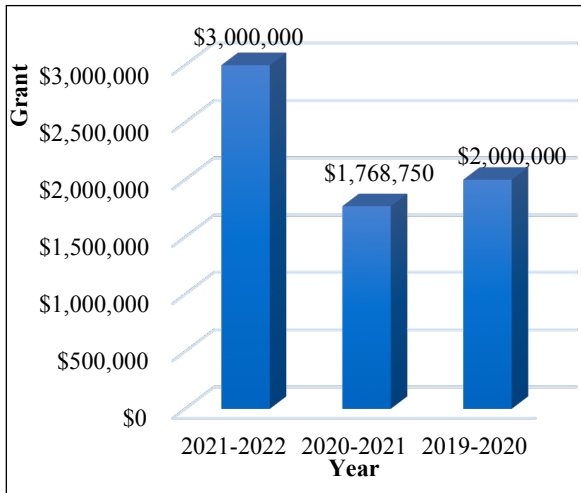


The Ministry of Sugar Industry's strategic priorities in 2021-2022 were shaped by the need for recovery from Cyclone Yasa, responding to the challenges posed by COVID-19, and addressing long-term sustainability and profitability concerns within Fiji's Sugar Industry. The Ministry aimed to rehabilitate infrastructure, support farmers, diversify revenue streams, and foster innovation to ensure that the sugar sector could adapt to challenges and thrive in the coming years.

PERFORMANCE RESULTS

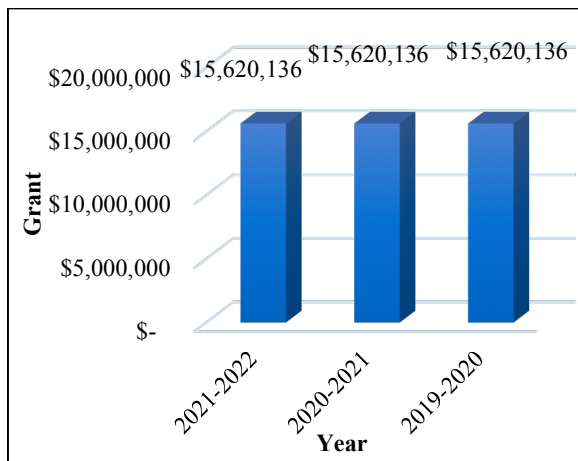
PART 1.0: FINANCIAL HIGHLIGHTS 2021-2022

Figure 4: Cane Access Road Program



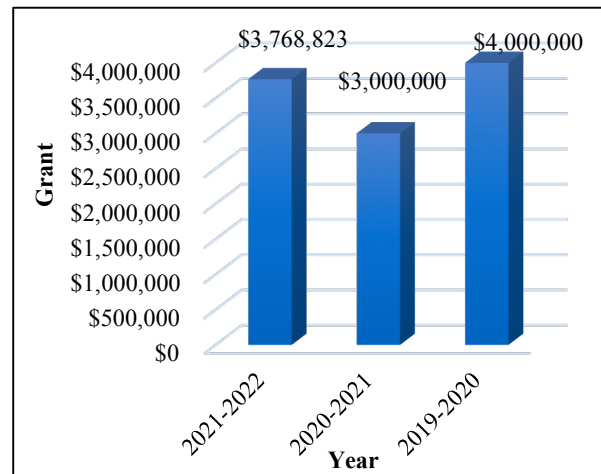
With \$3.0 million allocated in the revised 2021-2022 budget, the program accommodated for upgrading of 3,550 km of cane access road works, repair and maintenance of 84 irish crossings and supply of culverts where necessary.

Figure 5: Fertilizer Subsidy Program



The Fertilizer Subsidy Program being implemented by SPFL continued with an allocation up to \$15.6 million in 2021-2022 financial year.

Figure 6: Cane Cartage Program



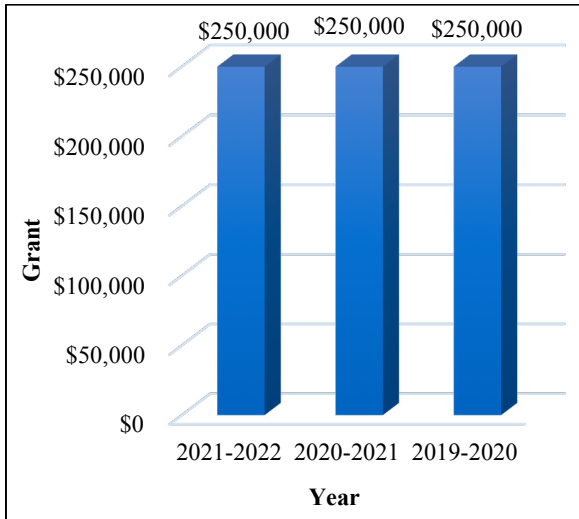
For the 2021-2022 fiscal year, the government allocated \$3.7 million under the cane cartage program.

Figure 7: Weedicide Subsidy Program



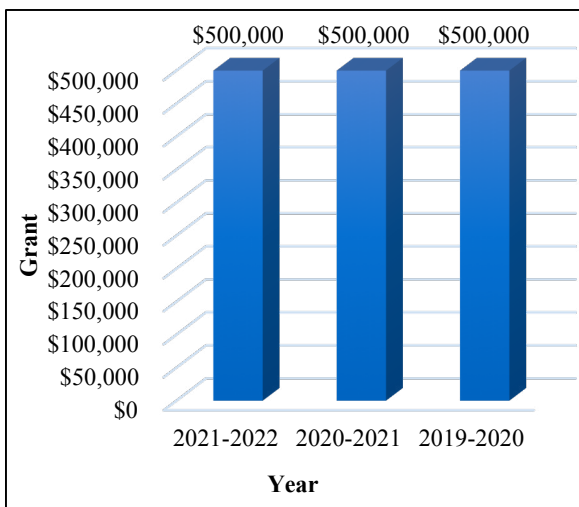
For the 2021-2022 fiscal year, the government has allocated a total of \$0.75 million under the Weedicide Subsidy Program. This allocation subsidized the prices of three (3) weedicides only and government subsidy was 20% whilst the grower paid 80% of the weedicide prices.

Figure 8: New Farmers Assistance Program



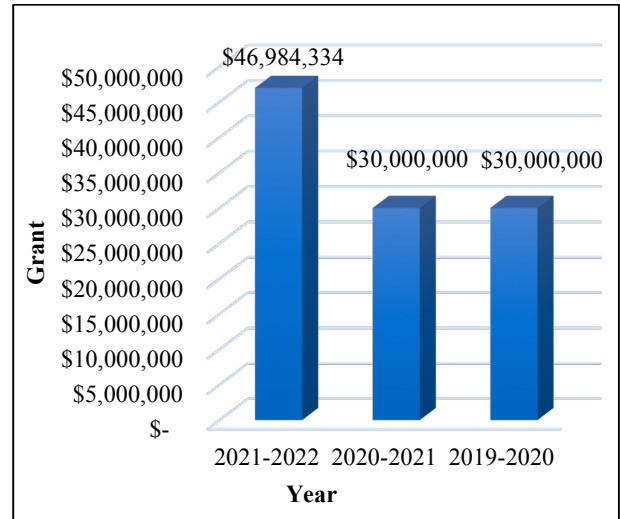
The New Farmers Assistance program, launched by the Government in the 2017-2018 financial year, aims to support and encourage new and potential cane farmers. In the 2021-2022 financial year, the Government allocated \$0.25 million to this initiative.

Figure 9: Sugarcane Development & Farmers Assistance Program (SDP)



In the 2021-2022 financial year, the Government had allocated a total of \$0.5 million for the SDP. The program was implemented by FSC through field officers.

Figure 10: Sugar Stabilization Fund



In 2021-2022, the Government allocated \$46.9 million to pay for final cane payment for 2020 season and partly for the 2021 season crop.

Mill Mud Supply Program

For this program, the unutilized funds from the 2020-2021 budget allocation were carried forward and utilized in the 2021-2022 financial year. The total amount allocated in 2020-2021 was \$160,991. Of this, only \$18,325 was utilized during that period, leaving a balance of \$142,666. These remaining funds will be available for use in 2021-2022 to support the ongoing implementation of the program.

PART 2.0: ADMINISTRATION & HUMAN RESOURCE

1. HUMAN RESOURCE

1.1 Staff Establishment

The Human Resources Department/Corporate Services Unit played pivotal role in supporting the Ministry's strategic objectives by ensuring efficient workforce management, talent acquisition and development, employee well-being, and administrative support. Key contributions included streamlining recruitment processes, implementing robust performance management systems, enhancing employee engagement initiatives, and providing essential administrative services, thereby contributing to a high-performing and motivated workforce.

1.2 Workforce Profile

The Ministry's workforce comprises a various group of fourteen dedicated individuals. Each staff member, across all departments, contributed significantly to the organization's success, regardless of their specific role. Their collective expertise and commitment drive the Ministry forward and enabled it to achieve its goals.

Table 4: Staff Members

Division	Number
Directors	2
Corporate	1
Accounts	3
Projects	3
Policy/ Research	2
Drivers	3
Total	14

Source: MoSI

1.3 Gender Distribution

An inclusive analysis of gender representation within the Ministry revealed an uneven distribution across its various divisions. While leadership positions at the Director level demonstrate a balanced representation of both genders, disparities became evident in lower-tier positions. These imbalances were largely attributed to the specific nature of roles and responsibilities within each department. A detailed tabular representation of gender distribution by division is provided subsequently for a clearer understanding of this disparity.

Table 5: Staff Members by Gender

Division	Total	Male	%	Female	%	Total
Directors	2	1	50%	1	50%	100%
Corporate	1	1	100%	0	-	100%
Accounts	3	1	33%	2	67%	100%
Projects	3	2	67%	1	33%	100%
Policy/ Research	2	1	50%	1	50%	100%
Drivers	3	3	100%	-	-	100%
Total	14	9	64%	5	36%	100%

Source: MoSI

1.4 Years of Service

Majority of Ministry's staffs have possessed between three and six years of service in the Ministry. This indicates a relatively young workforce. A smaller group, comprising only three individuals, have accumulated a more substantial tenure of six to nine years within the organization.

Table 6: Ministry's staff Years of Service

Years of Service	No of Staff
2 months – 1 year	1
1 year – 3 years	3
3 years – 6 years	7
6 years – 9 years	3
Total	14

Source: MoSI

1.5 Recruitment And Selection

In accordance with the values and principles enshrined in the Constitution of the Republic of Fiji, particularly Sections 123 and 127, all positions in the Fijian Civil Service are open to competition. The Public Service Open Merit Recruitment and Selection process further guides Ministries and Departments in decision-making and policy formulation.

During the 2021-2022 fiscal year, the Ministry conducted two recruitment and selection processes. Two drivers were recruited. One was stationed in Lautoka, while the other was appointed for the Assistant Minister for the Sugar Industry.

1.6 Training And Development

Training and Development is a critical function of Human Resources. The Ministry regards it as an integral aspect of human resource development. The training provided by the Ministry is part of an ongoing effort designed to enhance competence and improve organizational performance, thereby increasing employee capacity and effectiveness.

The civil service operates under a Learning and Development Guideline Plan, which aims to build civil servants' knowledge, skills, and abilities, contributing to the creation of high-performing organizations. A total of 225 hours of training were undertaken by staff of the Ministry.

1.7 Fleet Management

The Ministry is guided by the Transport Policy (2013) and is allocated ten vehicles for official purposes. The corporate office is responsible for overseeing and organizing the Ministry's vehicles to ensure they operate efficiently, safely, and cost-effectively. Effective fleet management involves optimizing the use of each vehicle, ensuring timely maintenance and repairs to minimize downtime, and extending the vehicles' lifespan.

Table 7: Ministry's vehicles for 2021-2022

No	Vehicle No	Make/Model	Lease	Govt Owned
1	GS261	KIA Sorento	1	0
2	GS289	KIA Sorento	1	0
3	GS349	Toyota Parado	1	0
4	GQ521	Mahindra	0	1
5	GQ522	Mahindra	0	1
6	GQ523	Ford	0	1
7	GQ524	Mahindra	0	1
8	GQ525	Mahindra	0	1
9	GN658	Ford	0	1
10	GR897	Ford	0	1
Total			3	7

Source: MoSI



Ministry Staffs' Celebrating Holi

PART 3.0: ANNUAL PERFORMANCE ANALYSIS

1. Inclusive Socio-Economic Development

OUTCOME 1: SUSTAINABLE ECONOMIC DEVELOPMENT

1.1 CANE ACCESS ROAD PROGRAM

Cane Access Program is an existing program funded under Ministry of Sugar Industry's budget since 2012. From 2012 to 2020-2021, the State through Ministry has funded total sum of \$3.0 million for this program. For 2021-2022, the revised budget allocation for CAR Program was \$3.0 million. All funding was released to FSC within 4 quarters of the 2021-2022 financial year.

Table 8: Cane Access Road Achievement 2021-2022- Target Vs Actuals

Cane Access Roads Program	Target	2021-2022
Number of Roads Upgraded	3,338	3130
Total km	3550	3149.8
Number of Culverts	On Request	46
Number of Crossing	84	17

Source: MoSI



Grower Consultation

1.2 CANE CARTAGE PROGRAM

Cane Cartage Program is an existing program funded under Ministry of Sugar Industry's budget since 2017-2018. Since the inception of this program, a total of around \$17.8 million had been expended by Government as grants to support the implementation of this program.

The MoSI has provided cane farmers financial assistance through its Cane Cartage Program where the MoSI bears all cost of transporting canes from Penang mill to Rarawai mill.

For 2021-2022 crushing season, \$3,768,823 was allocated as cane transfer subsidy to assist Penang mill farmers transport cost. The subsidy was distributed to the cane farmers through FSC as the Ministry's implementing agency.

At the end of 2021 crushing season, a total of 1,123 sugar cane farmers were assisted from Penang areas and a total of 133,683 tonnes of sugar cane were carted from Penang to Rarawai. The target for achievement for 2021-2022 as per the annual work plan was 118,100 tonnes of cane.

Table 9: Comparisons of Cane Cartage Program for Year 2020-2021 and 2021-2022

Year	Famers Assisted	Tons Carted	% Difference in Cane Cartage
2020-2021	1,143	133,683	11.45%
2021-2022	1,123	149,000	

Source: MoSI



Mechanical Harvester

2. Increase Cane Production to Ensure Sustainability of the Sugar Sector

2.1. SUGARCANE DEVELOPMENT AND FARMER ASSISTANCE (SDP) PROGRAM

A sum of \$0.5 million was allocated under the Sugar Development and Farmers Assistance Program of Ministry of Sugar Industry's 2021-2022 budget to assist farmers with cane planting grant that covers cost of land preparation, cane planting, inputs, seed cane and labor charges.

The target was to plant 927 acres of cane under fallow land and 74 acres on short fallow land under green manuring while 251 acres of cane was for replanting to remove uneconomical ratoons. However, only 256 acres were planted in fallow land, 186 acres were replanted, and 23.6 acres were planted on plots incorporated with green manuring. The targets were not achieved due to unfavorable weather conditions.

The table shows below the actual achievement for cane planting 2021-2022 fiscal year.

Table 10: Fallow Cane Planting Budget

Mill Area	Target (acres)	Actual (acres) Achieved
Lautoka	140.0	96.8
Rarawai	280.0	98.0
Labasa	344.0	61.2
Total	764.0	256.0

Source: MoSI

Table 11: Replanting Budget

Mill Area	Target (acres)	Actual (acres) Achieved
Lautoka	83	9.2
Rarawai	84	72.0
Labasa	84	105.2
Total	251	186.4

Source: MoSI

Table 12: Green Manuring Budget

Mill Area	Target (acres)	Actual (acres) Achieved
Lautoka	17	4.8
Rarawai	29	9.6
Labasa	28	9.2
Total	74	23.6

Source: MoSI



Green Manuring Plot

Table 13: Achievement 2020-2021 and 2021-2022

Activities	2020-2021 (Achievement)	2021-2022 (Achievement)
Fallow Planting (ha)	1,002	256.0
Replanting(ha)		186.4
Green Manuring	55.4	23.6

Source: MoSI

2.2 WEEDICIDE SUBSIDY PROGRAM

Weedicide Subsidy Program was introduced in 2017-2018 with an allocation of \$6.3 million to subsidize price of four (4) recommended weedicides for cane crops. In 2021-2022 revised budget, an allocation of \$0.75 million was granted to subsidize weedicides which include Diuron, Amine and Valpar. This program is implemented by South Pacific Fertilizers Limited (SPFL).

Table 14: Target Vs Actual

Mill Area	Target 2021-2022	Actual Achieved 2021-2022	Actual Achieved 2020-2021
Duiron (kg)	77,453	73,360	87,135
Amine (ltrs)	193,800	175,880	220,875
Valpar (kg)	15,489	28,830	38,740

Source: MoSI



Boom Sprayer trial

2.3 FERTILIZER SUBSIDY PROGRAM

Over the years, price of fertilizer has increased thus lessening revenue for farmers. To elucidate this issue, the Government introduced Fertilizer Subsidy Program to assist farmers reduce the burden of increasing input costs and enable SPFL to procure the required raw materials, blend and sell to farmers at a much lower price. The price of fertilizer raw materials has increased since Covid 19 pandemic and ongoing conflicts between Russia and Ukraine. During the years, the price per bag of 50kg fertilizer has increased to \$80.90 per bag as compared to the previous price of \$45.59 per bag. Therefore, the new Government subsidy had to be increased to \$60.90 per bag from 1st April 2022; while the growers continued to pay the same price of \$20.00 per bag of 50kg fertilizer. For 2021-2022 financial year, a sum of \$25.34 million was allocated to this program in the revised budget.

Table 15: Fertilizer Distribution- Target vs Actual Achievement

Blended Fertilizer	Target (Bags) 2021-2022	Achievement (Bags) 2021-2022	Achievement (Bags) 2020-2021
Blend A	27,130	18,661	17,184
Blend B	93,583	68,105	63,042
Blend C	544,245	458,943	402,406
Total	664,958	545,709	482,632

Source: MoSI

2.4 SUGAR STABILIZATION GRANT PROGRAM

To encourage cane planting and continuous supply of cane, the Government together with FSC had established Sugar Stabilization Fund to ensure the farmers are paid a guaranteed price of \$85 per tonne of cane. This Sugar Cane Stabilization Fund intended to instill confidence and provide price certainty for farmers.

The fund covers the difference between the cane price (current forecast price of \$56.81 per tonne for 2021 season) and the \$85.00 per tonne price floor to be paid to farmers. The budget of \$46.98 million was provided to FSC in 2021-2022 fiscal year for this program. The table below depicts that total of 11,444 farmers have benefited from this grant scheme. The total of 1,417,267 tonnes of cane was harvested.

Table 16: Total Growers Assisted by Sugarcane Stabilization Grant 2021-2022

Mills	Harvested (tons)	No. of Growers Assisted
Lautoka	442,811	3,217
Rarawai	612,220	5,011
Labasa	362,236	3,216
Total	1,417,267	11,444

Source: MoSI

3. Strengthen Research and Transfer Technology to Cane Farmers

3.1 IMPROVE FERTILIZER ADVISORY SERVICES, KNOWLEDGE AND TECHNOLOGY TRANSFER TO GROWERS, PEST, AND DISEASE CONTROL

3.1.1 Improve Fertilizer Advisory Services

The laboratory services for SRIF successfully registered and analyzed 1,683 soil samples in 2022 from the Lautoka laboratory and 588 soil samples from the Labasa laboratory for both farmers and research purposes.

Table 17: Total Soil and Plant Samples Analyzed for 2021-2022

Sample Type	2021 Achievement	2022 Achievement
Soil samples analyzed	2,781	2,271
Plant samples analyzed	708	0

Source: SRIF

To improve fertilizer advisory services and enhance the timely delivery of soil and plant results, the SRIF maintained analytical laboratories in both Labasa and Lautoka, ensuring efficient delivery of soil and plant results to farmers and researchers.

3.1.2 Knowledge and Technology Transfer to Farmers

3.1.2.1 Grower Demonstration Trials

In 2021, a total of 20 grower demonstration trials were established in the sugar belt. In 2022, the number of demonstration plots increased to 25 due to improved weather conditions and the absence of major cyclones.

Table 18: Total Grower Demonstration Trials Established in 2021-2022

Location	2021 Achievement	2022 Achievement
Lautoka	12	25
Penang	0	
Rarawai & Tavua	0	
Labasa	8	
Total	20	25

Source: SRIF

3.1.2.2 Grower Information Day

In 2021, 24 grower field days were successfully carried out. In 2022, the number of field days increased to 36 to cover more sectors and topics.

Table 19: Total Grower Information Days in 2021-2022

Location	2021 Achievement	2022 Achievement
Penang, Tavua & Rarawai	8	36
Lautoka, Nadi & Sigatoka	7	
Labasa & Seaqaqa	9	
Total	24	36

Source: SRIF



Demonstration of sugarcane planting methods during Farmer Field School

3.1.3 Pest & Disease Control

3.1.3.1 Fiji Leaf Gall Disease (FLGD) Screening

Screening for Fiji Leaf Gall Disease continued with 139 clones screened in 2021 while in 2022, 53 clones were screened, with 60% resistant, 21% moderately resistant, and 19% susceptible.

Table 20: Series of New Varieties Screened from Stage 3 of the Breeding Program

Year	Series Screened	No. of Clones Screened	% Resistant	% Moderately Resistant	% Susceptible
2021	LF2016 & LF2017	139	88.5%	9.4%	2.2%
2022	LF2018	53	60%	21%	19%

Source: SRIF

3.1.3.2 Seed Cane Certification

The seed cane certification program aims to control cane diseases by ensuring growers adopt approved and quality seed cane. In 2021, only 21% of the inspected cane qualified as seed material.

Table 21: Percentage of Cane Qualified as Seed Cane to be planted

Year	No. of Farms Certified	Plant Cane Certified (ha)	Tons of Cane Certified	% Qualified as Seed Cane
2021	236	165.68	8,285	21%
2022	198	143.42	7,894	18%

Source: SRIF

3.1.3.3 Pokkah Boeng & Leaf Scald Diseases

The Pokkah Boeng disease were prevalent in 40.22% of the farms, caused by the fungus *Fusarium moniliforme*. On the other hand, Leaf Scald disease was recorded on 18.31% of the farms, the disease caused by the bacteria *Xanthomonas albilineans*. These two diseases, Pokkah Boeng and Leaf Scald were initially of minor importance but now it is becoming a matter of concern as it is slowly spreading in sugarcane growing areas.



Disease symptoms - Left: Pokkah Boeng disease, Right: Leaf Scald disease

3.1.3.4 Management of Fiji Leaf Gall Disease in Commercial Sugarcane Farms - Roguing of Commercial Farms

Table 24 below lists the rouging history for FLG from 2020 – 2022 and shows the progressive removal of FLG from commercial farms. Trend indicates a progressive decrease in the number of infected stools.

Table 22: Roguing Data from 2021 to 2022

Year	No. Of Farms Inspected	Area Inspected (Ha)	No. of Disease Stools Removed	% Commercial Farm Area Covered	% Farm (inspected) Infested by FLGD
2020	1,997	10,061	4,046	27	6
2021	2,312	5,750	3,547	16	5
2022	2,400	5,844	2,632	17	4

Source: SRIF

OUTCOME 2: STRUCTURAL REFORMS

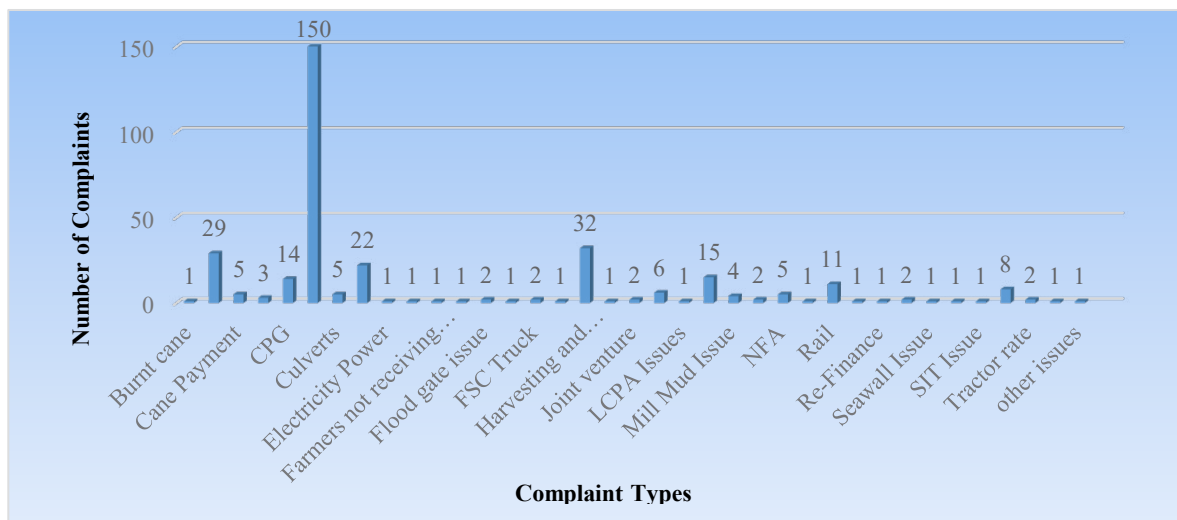
2.1. IMPROVE MINISTRY’S SYSTEMS & PROCESSES

2.1.1 Innovation and Best Practice in Public Service Delivery

During the year, the Ministry had prepared four (4) Quarterly Grant Utilization Progress reports. These reports highlighted the utilization of each program drafted by the MoSI and implemented by either external or internal stakeholders. The targets and achievements of each program were monitored through these progress reports provided on quarterly basis. The Grants Unit also conducted the monitoring of the sector office administrative work which involved checking of their grants documentation.

2.1.2 Complaints and issues arising from Farmers

Figure 11: The graph below depicts the summary of complaints received for the year 2021-2022



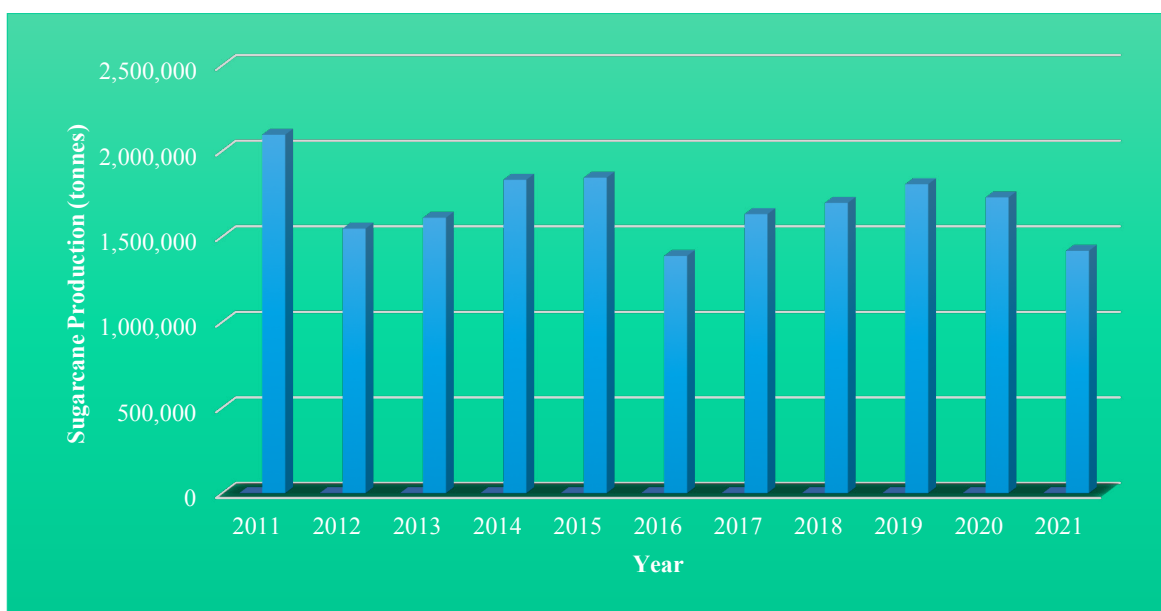
Source: MOSI

The graph shows the number of complaints received across various categories, showing that “Crossing” issues were dominating the complaints with 150 complaints far higher than any other complaints type. Other notable concerns include “Harvesting and related issues” (32 complaints), “Cane Access Road” (29), “Drainage” (22), and “Mill Mud Issue” (15), while categories such as “Conversion Allowance” and “Recent staff movement” also recorded moderate numbers. In contrast, several complaint types like “Burnt Cane,” “Farm Mechanization,” and “Fertilizer” had only one complaint each. Overall, the chart highlights that crossing-related problems are the most pressing, while most other issues occur relatively infrequently.

2.2 IMPLEMENTATION, MONITORING AND EVALUATION OF SUGAR INDUSTRY REFORMS

2.2.1 Sugarcane Production Trend

Figure 12: Sugarcane Production from 2011-2021



Source: FSC

2.2.1.1 Year Highlights

The cane production in 2021 dropped to 1,417,267 tonnes as compared to 1,729,281 tonnes in 2020 due to significant damages and loss caused by Tropical Cyclone Yasa in December 2020 and Tropical Cyclone Ana in January 2021 that affected 10,967 hectares of cane. The initial cane production forecast was 1.8 million tonnes; however, the 2021 season crop production declined by nearly 450,000 tonnes.

Following the two cyclones, the Government had provided rehabilitation and recovery assistance to the cane farmers in Vanua Levu of a value of over \$4.0 million. Free fertilizer and weedicides inputs, drainage clearing and land preparation assistance was provided. A total of \$0.6 million was also used from the Cane Access Road Program to repair rail tracks that were damaged in the Daku and Wainikoro sectors.

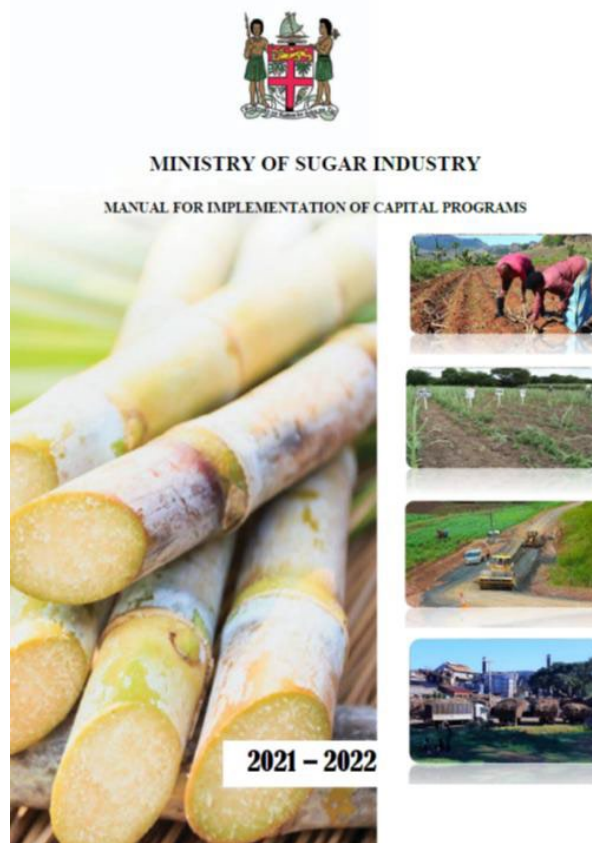
2.2.1.2 Policy Development

A. Policies for Capital Programs

One of the major roles of the Ministry is to develop policies. In consultation with the Project Steering Committee (PSC) members and industry stakeholders, the Ministry developed policies for seven (7) programs that was included in the Workplan for Capital Grants Manual for 2021-2022 financial year. During the year, the Ministry also reviewed the policies for the capital grants following the revision in budget for the 2021-2022 financial year amid COVID-19 pandemic impacts on the Fijian economy.

List of programs for which the plan and policies were prepared include:

1. Cane Access Road Program
2. Sugar Cane Development & Farmers Assistance Program
3. Fertilizer Subsidy Program
4. Weedicide Subsidy Program
5. New Farmers Assistance Program
6. Cane Cartage Program
7. Sugar Stabilization Fund



Following the approval of the workplan, the Ministry conducted awareness of the programs and policies/standard operating procedures to the industry staff and field officers to ensure efficient and effective implementation of the programs. Awareness was carried out to the field officers and industry stakeholders in Vanua Levu for Labasa mill and in Viti Levu for Lautoka and Rarawai mills.

B. Cabinet Papers

Two cabinet papers were approved that includes the following:

1. Cabinet (Discussion) Paper on Proposal to host the 31st International Sugar Organisation (ISO) Workshop and 60th ISO Council Meeting – 20.8.2022
2. Cabinet (Discussion) Paper on Fiji's support to review ISA 16.11.2021

2.2.1.3 REPORTING

1. Grant Utilization Progress Reports

A total of 4 reports were prepared on grant implementation – 4th Quarter of 2020-2021, and 1st, 2nd and 3rd quarter of 2021-2022 financial year.

2. Annual Reports

The Ministry of Sugar Industry is responsible for tabling annual reports of the industry organizations to the Cabinet and Parliament. The Ministry provided responses to Economic Affairs Committee in relation to the Annual Reports. During the year, the Ministry tabled the following annual reports to the Parliament:

- i. Ministry of Sugar Industry - 2018-2019
- ii. Sugar Cane Growers Fund - 2019
- iii. Sugar Cane Growers Council – 2019
- iv. Sugar Research Institute of Fiji – 2019
- v. Fiji Sugar Corporation – 2020

2.2.1.4 PARLIAMENTARY PARTICIPATION

The Ministry was required to participate and provide response on sugarcane and industry matters raised in Parliament through order papers or Public Accounts Committee and Economic Affairs Committee. During the year, the Ministry prepared parliamentary responses to the following questions:

1. Oral question 145/2021 on sugar price
2. Oral question 38/2022 and end of week statement

2.2.1.5 INTERNATIONAL SUGAR INDUSTRY RELATED CONFERENCE & MEETINGS

During the year, the Ministry carried out several consultations and meetings with various stakeholders.

The Ministry has established a Project Steering Committee (PSC) comprising of all the heads of industry institutions and some key management staffs that make up the sugar industry. As per the terms of reference, the PSC oversaw the implementation of the 2021-2022 Government funded capital projects to ensure that these projects are implemented in the most efficient and effective manner to achieve the intended objectives of each project. Part of PSC's role is to provide relevant advice to Permanent Secretary for Sugar Industry in relation to these capital projects. The PSC regularly meets to discuss policy matters and met several times during the year.

A. Local Meetings and Consultations

Table 23: List of consultations and meetings for the year are listed below

Date	Venue	Engagement Details
5.2.2021	Vanua Levu	Visit to cyclone affected farmers in Vanua Levu. A total of 3,360 cane farms with an area of 10,197 hectares were damaged during Tropical Cyclone Yasa in Vanua Levu and these farms were provided with assistance from Government for rehabilitation of farms.
4.8.2021	Sugar House	Stakeholder meeting
26.11.2021	Lomawai	Visit to SRIF field day
22.1.2022	Raviravi, Ba	Visit of TC Cody affected areas. Wash away of crossing, main access affecting families.
	Raviravi, Ba	Visit of TC Cody affected areas. Pillay's crossing, wash away, families affected, cane access Rd.
	Rarawai, Ba	Visit of TC Cody affected areas. Water logging affects the performance of the crops due to poor drainage. Brief session with few growers at a Grower's Jai Ram Khelawan's residence, grower concerns (few growers only)
	Namada & Benai, Ba	Visit of TC Cody affected areas. Crossing wash away affecting families, main cane access. Related issues affecting households.
	Wailalilai, Ba	Visit of TC Cody affected areas, extreme water logging fields due to main drain blockages, affecting the crop.
	Votua, Ba	Visit of TC Cody affected areas such as Main Drain issues, Field drains, and Riverbank erosion affecting the cane leases /farms. Riverbank reinforcement project partly damaged due to recent Flood. Discussion with growers at the Residence of Gurubachan Singh [Sirdar] (few growers only)
25.2.2022	Labasa	Grower Consultation
10.3.22	Stakeholder Meeting at Ministry of Sugar Industry Conference room	Sugar Industry Stakeholder meeting chaired by Permanent Secretary for Ministry of Sugar Industry, Mr. Yogesh J. Karan with Institution Heads, Ministry of Sugar Industry Directors, and Senior Officials.
27.5.22	Grant Agreement Signing at Ministry of Sugar Industry Conference room	Signing of Grant Agreement between Ministry of Sugar Industry and Kissun Logistic Limited for Tractor Mounted Harvester and Handing-Over of Harvesting Equipment's to Fiji Corrections Services in preparation for 2022 Cane Harvesting Season.
17.6.22	Lautoka Mill Commencement of Cane Crushing	Opening of the Lautoka Mill with Hon. Attorney General, Permanent Secretary for Sugar Industry, Heads of Sugar Institutions, Directors, Senior Officials, Ministry Officials, FSC Staff and other Invited Guests.
16.6.22	Waiver of Loans - Ministry of Sugar Industry Conference room	600 Growers from Labasa had their TC Yasa loan paid in full by Government. The Government earlier on had provided total package of \$4m towards TC Yasa rehabilitation package after being approved by the Cabinet.

B. International Relations

The Ministry actively participates in meetings, workshops, and conferences and Fiji is also an active member of the International Sugar Organization (ISO). During the year the Ministry participated in the following workshop/conference and engaged with international relation matters.

Table 24: Engagement at International Level

Date	Event	Details
16.8.22	Lautoka, Tanoa Hotels	The Ministry of Sugar Industry organized and hosted the ISO conference at Tanoa Waterfront, Lautoka from 16th – 17th August 2022. The event was held for two days whereby it was attended by all the stakeholders of the Sugar Industry and there were participants from various Ministries and other organizations. The meeting type was hybrid, virtually for over 120 international participants and face to face for the local delegates.
5.10.2021	Proposal Submission	The Ministry submitted proposals to Government of India to seek deputation of experts to Sugar Research Institute of Fiji
24.11.2021	International Sugar Organization	The Ministry participated in ISO (virtual)
23.12. 2021	Proposal Submission	The Ministry submitted proposals to People’s Republic of China to seek assistance with fertilizer raw materials
31.12.2021	Proposal Submission	The Ministry submitted proposals to Government of India to seek deputation of experts to Fiji Sugar Corporation



Demonstration Trial

2.2.1.6 Promotion and Adoption of Policy

The MoSI prepared and submitted 22 Requisition to Incur Expenditure (RIE) during the year. All the RIE's were approved.

2.2.1.7 Promotion of Cane Farming through New Cane Farmer Assistance Program

No budget was given for the NFA programme; however, the Ministry continued to follow up the NFA recipients.

2.2.2 Strengthening governance in Ministry and implementing partners

2.2.3.1.2 Capital Program Monitoring for 2021-2022

In the year, a total of 860 farms were monitored by two (2) staff for seven (7) programs.

Table 25: Overall Monitoring in 2021-2022

Programs Monitored	2021-2022
Cane Access Roads Program	238
Cane Planting Grant Program	188
New Farmers Assistance Program	156
Farm Mechanization Program	19
Weedicide Subsidy Program	158
Fertilizer Subsidy Program	101

Source: MOSI



Informal discussion with growers

MINISTRY OF SUGAR INDUSTRY
AGENCY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

**MINISTRY OF SUGAR INDUSTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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OFFICE OF THE AUDITOR GENERAL

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INDEPENDENT AUDITOR'S REPORT

Ministry of Sugar Industry

Report on the Audit of the Financial Statements

I have audited the financial statements of the Ministry of Sugar Industry, which comprise the Statement of Receipts and Expenditure, Appropriation Statement and Statement of Losses for the year ended 31 July 2022, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Ministry in accordance with the International Ethics Standard Commission for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibility of the Management and those charged with governance for the financial statements

The Management of the Ministry of Sugar Industry are responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Management Act 2004, the Finance Instructions 2010, and the Finance (Amendment) Instructions 2016 and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

The Management are responsible for overseeing Ministry's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Ministry regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
20 February 2023

**MINISTRY OF SUGAR INDUSTRY
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2022**

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Sugar Industry and its financial position for the year ended 31 July 2022; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Yogesh Karan
Permanent Secretary

Date: 15/02/2023



Praneel Naidu
Senior Accounts Officer

Date: 15/02/2023

**MINISTRY OF SUGAR INDUSTRY
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	2022 (\$)	2021 (\$)
RECEIPTS			
State Revenue			
Previous Years Grant Refund	3 (g)	180,000	---
Commission		39	17
Previous Years Recovery		176	100
Agency Revenue			
Board Member Fee		16,222	17,511
Total Revenue		196,437	17,628
EXPENDITURE			
Established Staff		485,003	470,692
Government Wage Earners	3 (a)	47,105	40,318
Travel & Communications	3 (b)	48,542	26,058
Maintenance & Operations	3 (c)	299,680	393,899
Purchase Of Goods & Services		6,246	7,969
Operating Grants & Transfers	3 (d)	1,922,559	1,710,343
Special Expenditures	3 (e)	41,229	---
Total Operating Expenditure		2,850,364	2,649,279
Capital Expenditure			
Capital Construction		---	---
Capital Grants & Transfers	3 (f)	80,434,004	61,978,102
Total Capital Expenditure		80,434,004	61,978,102
Value Added Tax		29,897	26,778
TOTAL EXPENDITURE		83,314,266	64,654,159

**MINISTRY OF SUGAR INDUSTRY
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

SEG	Item	Budget Estimate (\$)	Changes (Note 4) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
	Operation Costs					
1	Established Staff	500,844	0	500,844	485,003	15,841
2	Government Wage Earners	45,291	5,000	50,291	47,105	3,186
3	Travel & Communications	42,570	9,070	51,640	48,542	3,098
4	Maintenance & Operations	304,510	3,300	307,810	299,680	8,130
5	Purchase of Goods and Services	10,381	---	10,381	6,246	4,135
6	Operating Grants and Transfers	1,662,560	260,000	1,922,560	1,922,559	1
7	Special Expenditures	345,070	-107,370	237,700	41,229	196,471
	Total Operating Costs	2,911,226	170,000	3,081,226	2,850,364	230,862
	Capital Expenditure					
8	Capital Construction	---	---	---	---	---
9	Capital Purchase	---	---	---	---	---
10	Capital Grants & Transfers	80,344,004	90,000	80,434,004	80,434,004	---
	Total Capital Expenditure	80,344,004	90,000	80,434,004	80,434,004	---
13	Value Added Tax	63,228	---	63,228	29,897	33,331
	Total Expenditure	83,318,458	260,000	83,578,458	83,314,266	264,192

MINISTRY OF SUGAR INDUSTRY
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2022

Loss of Money

There was no loss of money recorded for the financial period ended 31 July 2022.

Loss of Revenue

There was no loss of revenue recorded for the financial period ended 31 July 2022.

MINISTRY OF SUGAR INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

NOTE 1: REPORTING ENTITY

Fiji's Sugar Industry has been the mainstay and source of livelihoods to about 200,000 Fijians. To support the industry, Fijians and the Fijian economy as whole, the Ministry of Sugar Industry is responsible for laying down a solid foundation to create a sustainable Sugar Industry that remains prosperous in the face of modern challenges.

The industry is bombarded with challenges such as the global pandemic and the devastating impact of Tropical Cyclone Yasa in December 2020, Tropical Cyclone Ana in January 2021, and Tropical Cyclone Cody in January 2022. The three cyclones have caused damages and losses of over \$58.5 million and crop loss of approximately 20% for 2021 season. For Tropical Cyclone Cody alone, a total of 1.8 million tonnes of cane was lost due to flooding.

The Sugar Research Institute of Fiji and Fiji Sugar Corporation will concentrate on improving per-hectare yield through strengthening research and development, improving farm advisory services and improving soil health with continued promotion of green manuring technology.

Infrastructure development through upgrade of cane access roads and crossings is also a main focus area for the Ministry to ensure the efficient harvest and transfer of all cane from farms to mills. The Ministry will continue supplying fertiliser and required weedicides to improve cane production and assist growers in the cartage of harvested cane from Penang to Rarawai.

Furthermore, considering the impact of COVID-19, Tropical Cyclone Yasa, Tropical Cyclone Ana and Tropical Cyclone Cody, cane farmers have received a guaranteed cane price of \$85 per tonne for their 2021 crops. The total actual cane production for the 2021 season was 1.4 million tonnes.

Government is fully committed to the revival and future viability of Fiji's sugar cane industry.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting / Presentation

In accordance with Government accounting policies, the financial statements of the Ministry of Sugar Industry is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trading and Manufacturing Accounts.

MINISTRY OF SUGAR INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to FRCS. Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been re-classified to facilitate comparison and achieve consistency in disclosure with current financial period amounts.

NOTE 3: SIGNIFICANT VARIATIONS

- (a) The increase in Government Wage Earners (GWE) by \$6,787 (17%) was due to the increase drivers' overtime allowance after the Covid-19 restrictions.
- (b) The increase in Travel and Communications by \$22,484 (86%) was due to increase in staffs and Directors travels and allowance after the Covid-19 restrictions
- (c) The decrease in Maintenance and Operation by \$94,219 (24%) was due to the reduction in budget for SEG 4 and minimum procurement.
- (d) The increase in Operating Grant and Transfers by \$212,216 (12%) was due to the supplement contribution to Sugar Research Institute of Fiji (SRIF) for the procurement of the new fully Simultaneous Dual View Analytical Machine for soil and leaf analysis.
- (e) There is a Special Expenditure of \$41,229 in '2021 – 2022 Budget' is for the 60th International Sugar Organization (ISO) Council Meeting which was hosted by Fiji.
- (f) The increase in Capital Grants and Transfers by \$18,455,902 (30%) was due the increase in government contribution for Fertilizer Subsidy, Cane Access Road and Sugar Stabilisation Fund.
- (g) The increase in Revenue by \$180,000 was due to the refund of previous year un-utilized funds for Farm Mechanisation.

MINISTRY OF SUGAR INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

NOTE 4: APPROPRIATION MOVEMENTS

There was a redeployment of funds approved in the fiscal year 2021-2022. Cabinet has approved \$260,000 to supplement the contribution to Sugar Research Institute of Fiji (SRIF) from Head 50 on 27th July, 2022. This is for the procurement of the new fully Simultaneous Dual View Analytical Machine for soil and leaf analysis at the SRIF Laboratory in Drasa, Lautoka.

Redeployment No.	To Expenditure Group	Amount (\$)
REDY03	SEG 6	260,000.00
TOTAL		\$260,000.00

There were virements approved by Permanent Secretary for Sugar Industry and Minister for Economy during the period. The appropriation movement for the financial year ended 31 July 2022 are detailed below:

Virement No.	From Expenditure Group	Amount (\$)	To Expenditure Group	Amount (\$)	Approved By
V35001/21-22	SEG 10	43,000.00	SEG 7	43,000.00	Minister for Economy
DV3501/21-22	SEG 7	2,370.00	SEG 4	2,370.00	PS Sugar
DV3502/21-22	SEG 7	5,000.00	SEG 3	5,000.00	PS Sugar
DV3503/21-22	SEG 7	7,000.00	SEG 3	7,000.00	PS Sugar
DV3504/21-22	SEG 7	2,560.00	SEG 6	2,560.00	PS Sugar
DV3505/21-22	SEG 7	10,000.00	SEG 4	10,000.00	PS Sugar
DV3506/21-22	SEG 7	2,070.00	SEG 3	2,070.00	PS Sugar
DV3508/21-22	SEG 3	5,000.00	SEG 3	5,000.00	PS Sugar
DV3509/21-22	SEG 7	2,000.00	SEG 4	2,000.00	PS Sugar
DV3510/21-22	SEG 7	5,000.00	SEG 3	5,000.00	PS Sugar
DV3511/21-22	SEG 7	90,000.00	SEG 10	90,000.00	PS Sugar
V35002/21-22	SEG 10	250,000.00	SEG 10	250,000.00	PS Economy
V35003/21-22	SEG 7	5,000.00	SEG 2	5,000.00	Minister for Economy
DV3512/21-22	SEG 7	2,000.00	SEG 3	2,000.00	PS Sugar
DV3513/21-22	SEG 7	1,300.00	SEG 4	1,300.00	PS Sugar
TOTAL		\$432,300.00		\$432,300.00	

MINISTRY OF SUGAR INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS *(continued)*
FOR THE YEAR ENDED 31 JULY 2022

NOTE 5: REVOLVING FUND ACCOUNT – MISCELLANEOUS

As at 31 July 2022, the Ministry had a zero balance in the Revolving Fund Account (RFA) Miscellaneous account made up of Advances.

NOTE 6: DRAWINGS ACCOUNT

At balance date, there were no un-presented cheques under Drawings Account as at 31 July 2022.

Ministry of Sugar Industry
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