



# NWC Research and Extension NEWS

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## Inside this

*TC Winston wreaks destruction on agricultural production in Western Division* 1

*April 2016 floods cause devastation in Sigatoka Valley* 2

*NWC puts forward proposal for disaster rehabilitation after TC Winston and April 2016 floods* 3

*Export Update* 4

## TC Winston wreaks destruction on agricultural production in the Western Division

Tropical Cyclone Winston struck Fiji on February 20<sup>th</sup> 2016 affecting many communities including the Western Division of Viti Levu where most of NWC members are located. According to Nadraki analysis the eye of TC Winston moved over the northern coast of Viti Levu somewhere between Tavua and Ba. TC Winston was category 5 tropical cyclone with winds gusting up to 350 kmph near the centre.

A rapid assessment of key HTFA growing areas was conducted by the NWC R & E team over a two period from 22.02.16-23.02.16. The survey focused on NWC farmer members and areas that are supplying HTFA crops for export. The survey also focused on farmers that are participating in the NWC 'Fiji Red' certified seed scheme.

Damage caused to commercial agriculture in the Western division was extensive but varies by locality with the Sigatoka area being the least affected and damages increasing moving farther north. Damage to agricultural crops in various localities occurred from either wind, flooding or a combination of both.

The Sigatoka Valley was spared the worst of TC Winston. Wind damage caused defoliation of commercial papaya and eggplant blocks however most plants will survive. Flooding was limited to only 'normal' flood levels.



**Legalega, Nadi.** Light defoliation on commercial breadfruit orchards. Even in very hard hit areas, the breadfruit tree showed its resilience to strong winds.



**Moto, Ba.** Total destruction of commercial papaya block by wind damage and waterlogging.



# April 2016 floods cause devastation in Sigatoka

The recent flooding associated with a string of tropical depressions leading up to TC Zena has delivered another significant blow to the fresh produce export as the production base of the Sigatoka Valley has now been hit. The flood levels in Sigatoka were not high as the January 2009 floods which were regarded as a 50-year climatic event however they are the highest that have been recorded since then. Fruit and vegetable plantings in the Sigatoka Valley occur on a series of 'steps' leading up from the banks of the river. There is the first step which is highly fertile and also high susceptible to floods and with each 'step' up the risk of floods increases. For longer term crops such as papaya, Sigatoka farmers usually plant on the 3<sup>rd</sup> of 4<sup>th</sup> step which means that the chances of flooding are very minimal. In the case of the recent floods, even these 3<sup>rd</sup> and 4<sup>th</sup> steps were affected by flood waters.

Nature's Way Cooperative has carried out a rapid survey of the impacts of the recent floods on its members in the Sigatoka Valley that were accessible which mainly involved the lower and mid valley. The survey revealed that damages ranged significantly between the sites depending on how quickly the flood waters were moving through the farm and how quickly they receded. Damages include: heavy and immediate crop loss, siltation of farms, waterlogging, erosion, excessive debris on farms, damage to access roads, damage to farm equipment and packing facilities. High levels of disease are expected in many of the surviving farms due to the waterlogging that has occurred.

Nature's Way Cooperative is predicting that this flood will have serious impacts on its farmer members in the Sigatoka Valley and across the Western Division. Also of great concern to Nature's Way Cooperative is the impact that this flood will have on the export enterprises that source products from these farms in the Western Division. The recent floods combined with TC Winston mean that the supply base has been significantly impacted leaving these export businesses with limited product and a series of increased costs if they wish to continue to export. It is a very real danger that due to this series of natural disasters and the increased costs, exporters will stop exporting for a period of time until full production resumes, this will have serious consequences for the supplying farmers, service providers (including NWC) and overall market position. Furthermore there is the possibility that some exporters may completely go out of business if they run too many weeks without any income – this was the case with several exporters after the 2009 floods and TC Evan in 2012.



*Flooded papaya blocks where water remains standing for more than 24 hours will likely experience high levels of fungal disease (phytophthora root rot), which will cause trees to slowly die. Generally the initial damage assessment for papaya crops following a flood is less devastating however significant losses*

# NWC puts forward proposal for disaster rehabilitation after TC Winston and April 2016

Nature's Way Cooperative is currently in discussions with donor partners as to the best way to support the rehabilitation of export farms and also the best way to support the export enterprises so that all stakeholders can survive this series of natural disasters and rise again to resume our place in the export market supplying unique Fijian agricultural products.

One of the proposed rehabilitation activities is an export stimulus scheme. The justification for this activity is that as a result of TC Winston many exporters are facing a number of increased costs which threaten the viability of continuous export consignments, these include:

- Due to the damage caused to farms, exporters have to include a larger number of suppliers in order to get the same volume of exports, this affects the labour and transport costs associated with buying produce as well as biosecurity related registration costs
- Due to the reduced supply, exporters are sending smaller volumes of fruit however their overheads remain the same and therefore the overall cost per unit (FOB) has increased significantly
- Due to reduced supply, the local market price for HTFA produce has increased which means that exporters also have to increase their buying price in order to secure their volumes
- Due to quality constraints, exporters have to spend much more time grading produce which increases labour costs

It is a very real danger that due these increased costs, exporters will stop exporting for a period of time until full production resumes, this will serious consequences for the supplying farmers, service providers (including NWC) and overall market position. Furthermore there is the possibility that some exporters may completely go out of business if they run too many weeks without any income – this was the case with several exporters after the 2009 floods and TC Evan in 2012.

The Export Stimulus Scheme is designed to offset the NWC HTFA treatment charge of \$0.72 per kg by providing a \$0.40 per kg rebate to exporters. This rebate will be shared by the donor and NWC at a cost of \$0.35 and \$0.05 per kg respectively.

The implementation model for the export stimulus scheme was piloted by NWC after the TC Mick (December 2013) with funding from AusAID and is proven to be effective in increasing exports and equitable. It is envisioned that through this stimulus scheme exporters will be able to encourage farmers to rehabilitate and replant resulting in an increase in volumes to a scale that is economically viable and sustainable.

A second rehabilitation activity is being proposed by NWC in partnership with exporters, this activity involves a seedling and agro-input incentive scheme to boost production of export commodities.

It is proposed that each active exporter at NWC will be offered a quota of seedlings and agro-inputs which they will have to respond to with a completed expression of interest and list of proposed active farmer suppliers to receive. The idea is that the exporters will identify their key farmers or choose to plant on their own farms. If an exporter does not utilize the quota then it will be redistributed to other interested exporters.

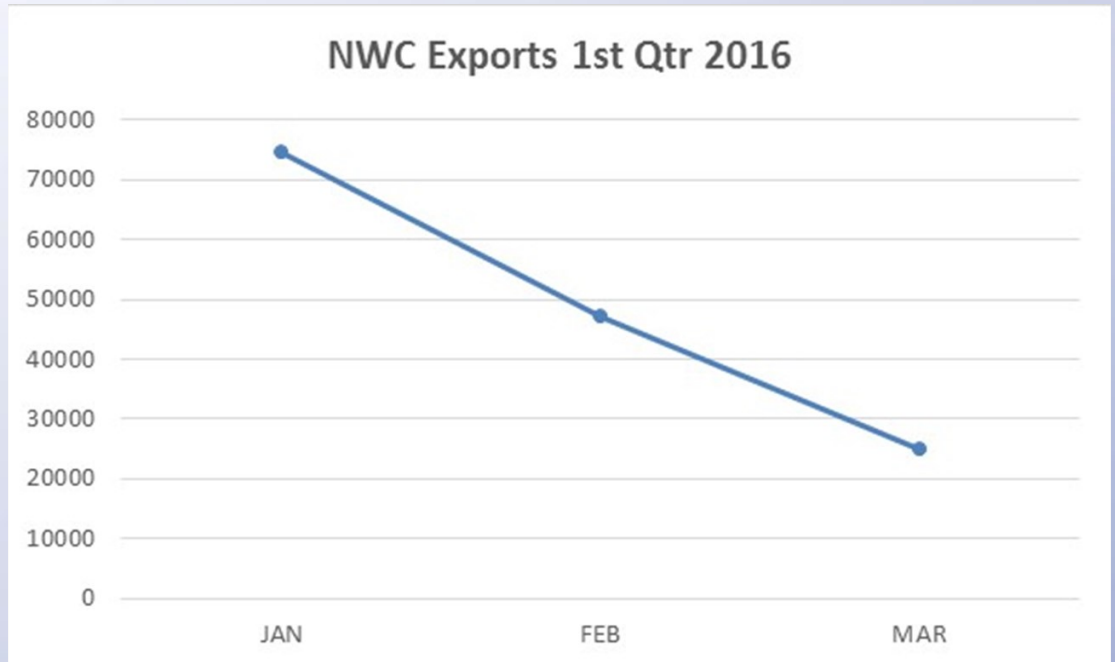
NWC is looking to transition exporters to play a much more active role in providing support services to their members and therefore strengthen these business relationships. The exporters will provide the list of farmers to be rehabilitated and their requirements and then NWC through its research and extension service will facilitate and monitor the distribution of rehab inputs in close collaboration with the exporters.

The seedlings will be grown on contract between commercial nurseries and NWC and distributed using the exporters transport. The exporter will also have the responsibility of monitoring land preparation with farmers to ensure that seedlings are planted in a timely manner.

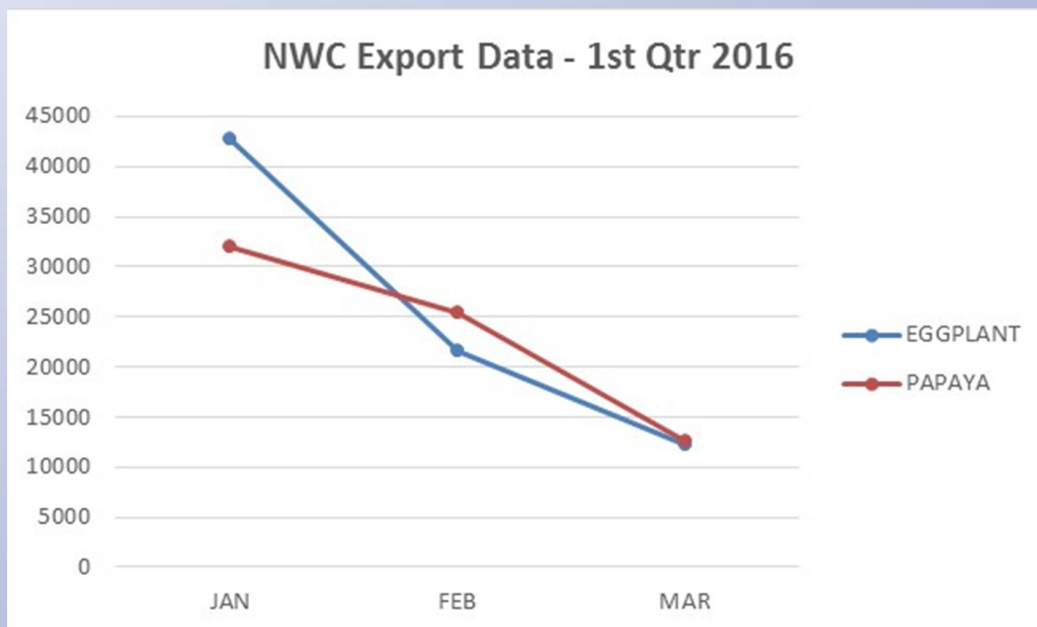




# Export Update



Source: NWC



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## NWC Research and Extension Partnership Committee:

