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bulakin



Issue No. 1

Interest Rates

In April this year, the Reserve Bank of Fiji announced the following Monetary Policy changes:

- The weighted average lending rates of banks and other lending institutions including FNPF will be kept at the level as at 31 December 2008. The adjustment to take place within three months.
- The interest rate spread of banks must be reduced to 4 percent or below by 31 December 2009. This policy to be reviewed in 12 months time.
- Banks are directed to set up specialised micro-finance service centres in all their branches by January 2010. To support this, the Reserve Bank will set up a Micro-finance Research and Development Unit headed by a Chief Manager.

In May this year, the Ministry of Finance approved the revision of interest subsidy rates for all Focused Sector loans to citizens of Fiji, in support of its earlier directive to the Fiji Development Bank. Effective from 1 January 2009, this interest subsidy applies to all loans below \$50,000 to the Focused Sector – Agriculture (including Forestry and Fishing), Mining & Quarrying, Manufacturing, Transport, Communications and Storage as well as Small Medium Enterprises and Micro Loans in the Wholesale, Retail, Hotels and Restaurants and Professional & Business Service sectors.

The subsidised rate will also apply to new projects under new account classification for Focused Sector loans from existing clients. All loans currently receiving subsidised interest rate will continue to receive the same subsidy rate.

Interest Rate for Northern Division

	Bank Interest Rate (%)*
Agriculture loans including forestry and fishing	
- Small farmers (first \$200,000)	6.0 - 7.0
- Large scale farmers (over \$200,001)	8.0 - 9.0
- All other focus sector loans less than \$50,000	8.0 - 9.0
New investors (other than agriculture)	8.0 - 9.0

* These rates are as at 19 November 2009.

The Northern Division projects in the Agricultural, Fisheries and Forestry sectors will have a higher interest subsidy as Government continues to encourage new investment in the region.

All loans are assessed on the total interest rate when calculating

Interest Rate Fiji Wide

	Bank Interest Rate (%)*
Social Banking	
Micro Credit	6.5
Agri-Finance	7.5
Focused Sector Loans less than \$50,000:	8.0 - 9.0
• Agriculture (including Forestry & Fishing)	
• Mining & Quarrying	
• Manufacturing	
• Micro Loans & SME loans in:	
- Wholesale, Retail, Hotels & Restaurants	
- Transport, Communications & Storage	
- Professional & Business Services	
Focus Sector Loans greater than \$50,001 and less than \$500,000	12.65 - 15.0
Focus Sector Loans greater than \$500,001	9.65 - 13.0

viability. The Government's budgetary approval is for one year. All other normal lending guidelines will apply.



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Board & about us

FDB Board

Chairman:	John Prasad
Deputy Chairman:	Jitoko Tikolevu
Directors:	Joseva Serulagilagi Manasa Vaniqi Ilaisa Cavu
Board Secretary: Chief Executive Officer:	Saiyad Hussein Deve Toganivalu

Our Vision

To be a dynamic financial service provider in the development of Fiji.

Corporate Objectives

To be a profitable and self-sustaining financial institution.

Our Mission

We provide finance, financial and advisory services to assist in the economic development of Fiji and in particular the development of agriculture, commerce and industry.

About Us

The Fiji Development Bank was established under the Fiji Development Bank Act (Cap 214) on 1 July 1967. The Bank is an autonomous statutory body, the operations of which are controlled by a Board of Directors appointed by the Minister of Finance.

Under the Act, the Bank provides finance for projects that contribute to the development of the Fiji economy and to improve the quality of life for the people of Fiji. Loan funds are provided for Agricultural, Small and Medium Enterprises, Corporate and Micro Enterprise projects. The Government also uses the Bank, as a financial instrument in its development projects/plans and special assistance programmes that may be necessary from time to time.

Over the years Bank has introduced a range of loan packages and services aligning it with its strategic objectives and customer demands. At the same time, the Bank has the challenging task of matching its competitiveness level with that in the banking and finance sector.

The Bank has played a significant role in developing the various economic sectors of the country and believes in a strong corporate social programme which it undertakes through Money Smart™, a financial literacy programme in secondary school and its annual Small Business Awards.

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The FDB BulaKin is published by the Research, Marketing and Business Development Unit of the Fiji Development Bank.

BulaKin is a composite of bulletin and bula the Fijian greeting. Kin represents a group of descendents of a common ancestor.

Talking point



In January 2008, the Bank received a policy directive from the Interim Minister for Finance to align its activities to the priority sectors of the FDB Act and to realign its operations and structure to the priority sectors.

The FDB Act expresses the functions of the Bank as “to facilitate and stimulate the promotion and development of natural resources, transportation and other industries and enterprises in Fiji and, in the discharge of these functions, the Bank shall give special consideration and priority to the economic development of the rural and agricultural sectors of the economy of Fiji”

Prior to the directive the Bank’s portfolio was segregated into two major services - the Agriculture & Development Finance Services and the CBS (Corporate Business Services) which included home lending and leasing activities.

In response to this directive, the Bank has realigned its business into two areas – the Focused and non-Focused sectors. The Focused Sector includes Agriculture, Mining and Quarrying, Manufacturing, Transport and Communications as well as Small Medium Enterprises and Micro loans. The non-Focused Sector are Building & Construction, Private Individuals, Real Estate and larger loans in Wholesale, Retail, Hotels and Restaurants as well as Professional & Business Service sectors.

Through this quarterly brief, we will keep you posted on progress made by the Bank especially in the Focused Sector.

Deve Toganivalu
Chief Executive Officer

Editorial



Welcome to the very first issue of The FDB BulaKin. Since starting with the Bank on 31 August, I thought it was time that we shared with you stories from the field - from the hundreds of farmers, small businesses as well as corporate entities that we have helped finance since we started 42 years ago.

To do that I visited and talked to clients in the West as well as Northern Divisions about how they started, their reasons for doing what they do and what their plans were for the future. From this experience I have formed a healthy respect for farmers especially, because theirs is back breaking work with marginal returns at the best of times, yet they persist, praying that the next harvest will be better and that good weather will hold out long enough for them to reap the fruits of their labour.

Such enterprises would not be possible without financing from institutions such as FDB who incidentally has over 50% market share when it comes to lending to the agricultural and rural sector.

Happy reading!

Sylvia Low
Editor

Semi paws his way to success

After 35 years of cane farming, Semi Ratubuli, 53, of Volivoli Village, Sigatoka decided that he wanted to try something different as the return from his five acre cane farm had been declining consistently since 2000.

“The price of cane was not so good and I was harvesting between 20 and 50 tonnes per acre and with the cost of production reaching 60 percent, I decided that I needed to do something else to earn an income,” Semi said.

Located five kilometers outside of Sigatoka on the way to Nadi, Semi left his land to fallow for four years as he did odd jobs to help support his family then one day in early 2008, Marica, Semi’s wife, was looking through the Fiji Development Bank website when she saw the Micro Credit Loan facility which she promptly told him about.

“I didn’t wait, the next day I was at the Bank enquiring about the loan and it didn’t take me long to fulfill the requirements, which was simply a surety from buyers,” he said.

“With the \$5,000 loan, I overhauled my tractor and started plowing the land again. When that was done I went to the Ministry of Agriculture and bought the first lot of 450 pawpaw seedlings in April 2008 and started planting.”

From that batch he harvested 300 kilogrammes the day before the floods in January 2009, where he lost 179 plants. The 300kgs harvested were for an exporter who was to come by and buy them for 80 cents a kilogramme.

“The floods were a blessing of sorts because the exporter didn’t show up so I sold the harvest to a nearby hotel for \$1kg and what ever they didn’t take, I sold on the roadside for the same price,” Semi said.



Since the floods, Semi has planted five blocks totaling 1.5 acres which now have 1,004 pawpaw trees on them. From January to the end of September 2009, Semi has harvested a total of 23,000kgs of pawpaw, which are sold to exporters as well nearby hotels.

“I could never make this kind of money from planting sugar cane and what I have made so far has helped me educate my six children and employ people in my village when they come and help me harvest,” Semi said.

“I have seen a noticeable difference in the amount of work involved in farming cane and with pawpaw less labour input is required and in fact the boys in the village come and ask me for work during pawpaw harvest unlike for cane, where I found it very difficult to find a harvesting gang.”

The Bank’s Micro Credit Scheme is open to individuals and farmers earning below \$7,500 per annum and would like to borrow up to \$5,000 for any financially viable project.



FDB sets aside \$3million for social banking facility

In March 2009, the Board of the Fiji Development Bank approved the reinstatement of the Micro Credit Scheme and the implementation of a new loan facility, the Agri Finance Scheme under its Social Banking Facility.

The MCS previously known as the Small Rural & Agricultural Scheme was suspended in October 2008 after the \$1million allocated was exhausted. The MCS caters for loans between \$500 and \$5,000 with the AFS catering for agricultural loans up to \$10,000.

“Under Social Banking, the Bank has earmarked \$3million for the AFS and the MCS, this increases our risk exposure to \$2million for the MCS with the AFS reduced to \$1million from \$1.12million,” says FDB’s Chief Executive Officer, Deve Toganivalu.

From January 2008 to September 2009, a total of 1,600 loans valued at \$6.2million were approved under Social Banking. The portfolio as at September 2009 totaled 1,907 accounts valued at \$4.15million. This represents a substantial 32% by number, of the Bank’s portfolio.

The MCS is available to any Fiji citizen whose annual income is less than \$7,500 per annum. In the case of married couples, the combined income of husband and wife should not exceed \$7,500p.a. The AFS is available to all small farmers and covers farmers in the coconut, beef and dairy industry as well.

The Social Banking Facility is designed to help alleviate poverty and uplift the living standards of the least advantaged members of the community.

2009 Small Business Awards

- Bisinisi lailai, paisa acha!

The Fiji Development Bank's Small Business Award is back and there's a total of \$12,000 in prize money to be won.

"This Award rewards that sacrifice and commitment," Mrs. Deb said.

Launched by FDB Board Director Joseva Serulagilagi on 21 October, this annual event is a recognition programme for enterprises that have gross sales of \$100,000 or less per annum. Any business that has been in operation since April 2009 is eligible to enter.

For 2009, FDB is looking for entities that are innovative, unique and creative in the way that they do business.

The theme for the 2009 Awards is Start Small, Think Big! with the view to encouraging small businesses to take the next step into developing into medium enterprises and add value to these businesses.

"The Awards is geared to promote and develop small enterprises, to get them to move forward from being micro-enterprises to becoming medium enterprises," says Manager Research Marketing and Business Development, Anjna Deb.

Applications are invited from all who qualify and they may enter under the following categories:

- Agriculture
- Tourism
- Wholesale / Retail
- Manufacturing
- Professional / Services
- Open

"At FDB we believe that economic growth and employment is driven by these businesses."

Application forms are available from the Award sponsors – Fiji Sun, New India Assurance, FINTEL, Goodman Fielder, Reserve Bank of Fiji and Connect outlets as well as all FDB branches and Provincial Council Offices Fiji-wide. Application forms may also be downloaded from www.fdb.com.fj

She added that people who trade in this category represent the true essence of entrepreneurship because they encounter hardships along the way and make personal sacrifices to make ends meet.



start small... **THINK BIG!**

FDB 2009 SMALL BUSINESS AWARDS ENTER NOW!

BISINISI LAILAI PAISA ACHAA!

Entry form available from any FDB branch, sponsor locations or download from www.fdb.com.fj or call 3314866 ext 218
Entries close 18th December 2009

PROUDLY SPONSORED BY:

    

Entries close at 3pm on Friday, 18 December 2009. Filled entry forms can be returned to any FDB Branch or mailed to Small Business Awards 2009, Fiji Development Bank, PO Box 104, Suva. The awards will be presented in January 2010.

Staff rally for Fiji's Biggest Morning Tea

Fiji Development Bank staff in Suva gathered in numbers on the morning of 25 September to host Fiji's Biggest Morning Tea. All proceeds from the event were donated to the Fiji Cancer Society. Their efforts helped raise \$500 through a mufti day for Eid and a bring-and-buy for the morning tea.

Manager Research Marketing and Business Development, Anjna Deb says that the Bank has supported this initiative since 2008 because the impact of cancer on families and the community at large can be devastating.

"Cancer can affect anyone at any age and by helping the Cancer Society with its early detection and treatment efforts through the provision of financial assistance is the

least we can do for a disease that is treatable if detected early," she said.

The Fiji Cancer Society has held this event since 2006 and so far they have managed to collect over \$176,000 through such efforts. The Society has also worked diligently to raise awareness on early detection for this deadly yet treatable disease. Statistics from the Ministry of Health shows that 300 lives were lost to cancer in the last two years.

"Every cup of tea does count and we will continue to support this very worthy cause in the future," Mrs. Deb said.

Bank raises \$6,000 for Hibiscus Charity Chest

A concerted effort by staff saw \$6,760 raised in four short weeks for this year's Hibiscus Charity Chest.

Chairman of the Bank's Hibiscus Committee, Asaeli Tokalau said that with the help of the FDB Sports and Social Club, staff fundraised through bring-and-buys and barrel nights towards the charity chest for the Bank's queen contestant Mereia Tuiloma, 22, a third year law student at the University of the South Pacific. Also participating for the Bank in the Hibiscus Teen Category was 15 year-old Rowie Sina Lal who was placed 1st Runner Up.

"By taking part in the Festival, we were not only building on team work amongst staff but also helping fulfill our corporate social responsibility to our stakeholders by raising funds for charity," Mr. Tokalau said.



measures to pull Fiji from from the Global Recession

Strengthening stakeholder linkages amongst agro-processing ventures and the agricultural ministry as well as a strong social banking scheme are amongst several initiatives by the Fiji Development Bank to help Fiji counter the global recession, says Fiji Development Bank General Manager Business Risk Services, Nafitalai Cakacaka.

"Additionally, we have identified key agricultural projects on which we will focus, we have also applied for a Credit Institution License with the Reserve Bank of Fiji, and we have implemented the Bank Management System to streamline the loan process significantly and provide crucial management information," Mr. Cakacaka said.

Mr. Cakacaka made the comments while delivering Fiji's Country Report at the Association of Development Financing Institutions in the Pacific (ADFIP) meeting held in Tahiti from 29 June to 3 July this year.

"Some of the challenges facing Fiji include the rapid decline in Gross Foreign Reserves, the 20% devaluation of the Fiji dollar and the dramatic increase in unemployment in the hospitality sector," he said.

"For the Bank, these challenges include the suspension of large loans, redeployment of resources to where it is needed most, re-engagement of stakeholders and cost containment where feasible."

Mr. Cakacaka continued that the global economic crisis has given the Bank an opportunity to refocus lending to ventures not affected by the economic downturn and to reinforce the Bank's core business of lending to the agro and rural

sectors by encouraging food security through local production and thereby lessening dependency on imports.

"In addition, we are now focusing on promoting and funding projects that have strong export potential and exploring supply chain linkages in support of maximising regular production, standardisation and quality control," he said.

To support these changes, the Bank he said realigned its operations into two areas – Focused and non-Focused Sectors. At the end of June 2009, the Bank's total portfolio stood at \$430.15million of which 72.1% (4,323) of accounts were from the Focused Sector with a portfolio value of \$134.67million.

2008 Money Smart™ Awards



The Fiji Development Bank congratulates Bhawani Dayal Arya College, Drasa Secondary School and Holy Family Secondary School for winning the 2008 Money Smart™ Awards for the Central/Eastern, Western and Northern Divisions respectively. No school in the Maritime was awarded for 2008 as none met the criteria. The winning schools each received a Compaq computer valued at \$1,950.

Money Smart™ was launched in 162 secondary schools in Fiji in 2007 at the Form 3 level following a 10 month consultation with the Ministry of Education and the Curriculum Development Unit. Integrated into the secondary school curriculum over two terms, the Money Smart™ course work is assessed at 30% towards the student's Fiji Junior Exam results for Commercial Studies. Since its inception, close to 50,000 children at the Form 3 level have passed through this financial literacy programme.

Money Smart™ is also the result of efforts by the Bank over the years to educate its adult clients but with very limited results. Through the Money Smart™ programme, it is expected that the younger generation will have the necessary skills and financial nous to be able to better manage their personal and business finances in the future.

To qualify for the Money Smart™ Award, schools must satisfy the following criteria:

- Have a minimum of 90% of their students opening savings account at a bank;
- That students complete all exercises in their workbooks with evidence of regular savings and conduct of enterprising activities to gather savings; and
- That moderated marks have a weighted average of close to zero percent as possible.

If more than one school reaches the final stage of assessment, only then will the amount saved by each school be considered as a tie breaker.

In the first year of the programme (2007) an estimated \$436,800 was saved by students over a 12 week period. In 2008, this figure was estimated at \$552,900 – an increase of 26%.

“Money Smart™ is a valuable lifeskill training which teaches young people to identify what their needs and wants are, how to work, plan and save for these,” says Fiji Development Bank Chief Executive Officer Deve Toganivalu.

“I am pleased with the encouraging results from the 2007 and 2008 savings which has given us the impetus to continue our support for this programme in 2009 and 2010.

“Such is the impacting value of Money Smart, which tells us that we are certainly on the right track and it makes me immensely proud

to say that at FDB we are fulfilling our corporate social responsibility to where it matters most – for the younger generation.”

Priyanka Shivani, now a Form 4 student at Holy Family Secondary School in Labasa said that the programme helped students like her confront many challenges.

“Challenges such as addiction to movies, internet and expensive wants had to be cut down so that instead of these unnecessary expenses we could save that money,” she said.

“This programme has also taught us to be sociable, to go out and meet people so that we could get small jobs around the community such as flower arranging, decorating and gardening and this has also helped boost our self confidence.

“My advice to students who will be undertaking this course in the future is to strive for your goals because nothing is impossible if you have the determination to succeed.”

Through Money Smart™ students discovered not only their enterprising spirit but also an appreciation for the value of having savings to meet the many financial obligations they expect to meet along the way.

“At times we did not receive our allowances on time from our parents so our savings was less and during the savings period we also had our school

Money Smart™ equals financial literacy

Money Smart™ was designed as a countermeasure to improve financial literacy amongst our people.

“This programme is in line with the Bank’s Mission which is to economically develop the quality of life of the people of Fiji,” says Fiji Development Bank Chief Executive Officer Deve Toganivalu.

“Money Smart™ is geared to begin financial literacy at the start of high school because we found that in adults, many lack the basic knowledge and skills required to manage money for personal or business needs.”

Mr. Toganivalu made the comments at the Pacific Microfinance Week held at the Radisson Resort at Denarau, Nadi from 13 to 17 July 2009. The presentation was part of the Building Financial Literacy & Capability in the Pacific: Implementing the Coombs Declaration. The Declaration was made in Sydney, Australia on 26 August 2008 by finance ministers, central bank governors and senior officials from the Pacific and Timor Leste on Deepening Financial Capacity in the Pacific Region.

“The benefits of Money Smart™ is that it works as a partnership between the Bank, the education ministry, children, teachers parents and the community; it also helps students learn from one another as well as reinforcing other basic skills such as math,” he said.

“The programme is outcome based meaning that children will actually participate in drawing up and implementing their savings plan and at the end of the programme they are expected to have enough money for whatever they set their savings goals for.”



fundraising where it was compulsory for us to meet our class target,” said Muni Artika Shivangni of Bhawani Dayal Arya College.

For Drasa Secondary School where students come from mainly farming background, students resorted to activities like massaging grandma’s feet, selling vegetables on the roadside, chopping and gathering firewood, cutting grass, washing cars and working as packers in supermarkets in Lautoka to earn money.

“The Money Smart™ task not only taught us to save but it also built our inner character through the realisation that money is important, understanding that money can buy many things and that we need to manage our savings wisely but it has also made us realise that to become good entrepreneurs we need to have backup capital in the form of savings,” said Ashna Rishika of Drasa Secondary School.

“The Bank spent considerable resources to create Money Smart™ because as a responsible corporate citizen we could no longer ignore the limited abilities our people had for managing money,” Mr. Toganivalu said.

“It is pleasing to see that already, young people are employing their entrepreneurial skills by creating a savings plan based not only from pocket money given by their parents and guardians but through small business like selling guavas, mangoes and other items that they have accessed from their back yard gardens.

“When I hear of such ingenuity, I am encouraged and heartened to see that the theory can be applied practically and that children are learning as intended, the value of money and of savings because the current global recession is a cautionary tale for our current and future workforce and that lesson is that you cannot rely on traditional job sources anymore.”

Shiu's sweet dreams

We all dream of winning a million dollars at the Lotto, but how many actually buy a ticket? Jiwan Ram, 56, did - and he won!

"I bought a \$12 ticket in 1994 and I won \$1million Australian dollars which came to about FJD\$1.2 million at the time," he said of his sudden windfall.

"At the time it sounded like a lot of money so I invested most of it buying land along Nadi Back Road and I soon found that while I thought I couldn't spend it all, I did."

Before his million dollar pay day, Jiwan known fondly to his friends as Shiu, was a struggling farmer cum taxi driver cum tractor dealer, working long days to make ends meet. These days he's the board chairman of the Midwest Group, developers, tractors, farms and the proposed Edgewater Resort.

"I always dreamt of being a businessman. My Dad had two trucks which he operated and because he wasn't educated he didn't manage his business very well and soon bailiffs were turning up to repossess the trucks," Shiu recalls of his humble beginnings.

"To help my family I left school at Form Four and started cutting cane for a few years until I managed to get a taxi license at age 22 then I started driving taxi for different owners at the Nadi Airport.

"During this time I met a lot of tourists whom I would get to know personally over time and become good friends with. It was one of these tourist friends that helped me get into the tractor importing business which I started to do on consignment in 1974."

After importing and selling three tractors, Shiu was able to pay for the freight costs on his own. But it was a long haul because he had no working capital.

"In 1992 I left driving taxi and started working at the Melanesian Hotel. The owners were helpful of my tractor importing business by providing a guarantee for me to import more tractors in addition to giving me space in the hotel car park to put the tractors on display," Shiu said.

Then in 1994 Shiu's long struggle came to an end with his Lotto win with which he bought eight acres of land at Nadi Back Road and 30 acres of land at Lomolomo on the way to Lautoka. He also bought two homes and a pawpaw farm at Waqadra. Shiu then sub-divided the lots at Nadi Back Road of which he's sold several; and on two he's built a service station and a commercial office space.

"That building was meant to be a supermarket on the ground floor and our group office on the second floor but an overseas company looking to set up in Fiji bought that building from me in 2008 for their Fiji head office," Shiu said.

"The service station gives me a good return – we make about \$20,000 a day and sell around three million litres of fuel a year."

Shiu's relationship with the Fiji Development Bank started in 1996 when the rapid growth of his real estate holding left him with little working capital to further develop his pawpaw farm at Waqadra.

"No commercial bank wanted to help me so I went to the FDB and they gave me a loan for \$200,000 which I have since paid off," he said.

Shiu hasn't forgotten the help FDB gave him and he has continued his relationship with the Bank since, utilising the Bank's various other financing facilities for Midwest

Tractors and is currently liaising with the Bank on one other prospective development.

In his bid to increase Midwest Farm's holdings, Shiu recently bought 93 acres of sugar cane farm land from FDB at Sabeto, just outside Nadi, with the view to making it one of the best cane producing farms in Fiji.

"My dream is to be the largest cane farmer in Fiji," the spritely 56 year-old said unabashedly.

There is no doubting that he will get what he wants but more importantly, why cane farming when it seems that many who have worked it for decades are now opting for shorter term crops that yield a better return.

"I read the world stocks and there is a shortage of sugar – someone's got to plant it so it might as well be me," Shiu says matter-of-factly.



"I believe I will be successful with this project because I have started planting cane with the goal of reaching 70 tonnes per acre by next year."

According to Shiu, the Fiji Sugar Corporation estimates that his farm will yield around 50 tonnes per acre but if he reaches his target of 70 tonnes per acre, he can expect to earn around \$400,000 based on the forecasted price of \$61.17 per tonne for 2010.

"The problem with the sugar industry is that people are not planting enough cane – you need a minimum of 5,000 tonnes to at least make a profit and my plan is to buy another 100 acres in the next few years," he said.

For Shiu, one does not doubt that his sweet dreams are about to come true.



Export Credit Facility

"The Export Credit Facility provided by the Fiji Development Bank, allowed my business to free up much needed capital to purchase greater quantity of the commodities I needed for export," says Graham Thorpe, Managing Director of Balthan (Western) Limited, an agricultural produce export company based at Laucala Beach Estate, in the outskirts of Suva.



"The shipment we sent as a result of that helped increase our annual business turnover by 25% from \$400,000 to \$500,000."



The ECF is an FDB product developed in collaboration with the Ministry of Commerce, Industry Investment and Communications geared to assist exporters raise short term working capital to meet pre-export expenses.



The ultimate aim of this facility is to boost Fiji's export industry with the view to improving Fiji's overall economy. The ECF is specifically designed for exporters in the following industry categories:

- Agro-business
- Forestry
- Marine products
- Mineral water
- ICT and
- Audio-visual

The ECF facility has a low interest rate of 4% per annum with a ceiling of \$200,000 repayable over six months and has a provision to roll over.

"We have been exporting root crops such as dalo and cassava and other vegetables for the last 25 years and gradually we have moved on to semi-processed and frozen root crops and vegetables," Mr. Thorpe said.

"With our increase in turnover, we were able to pay off our first ECF in the six months and we are now working on our second ECF to buy and export an extended range of produce such as Karela (Bitter Gourd), Jackfruit and Ivi (a local chestnut) with the view to extending our markets beyond Australia and the US," Mr. Thorpe said.

"Internal cash flow has always been a concern because we had to set aside money for costs associated with shipping the produce to our markets in Australia and the United States.

He added that locally, his source markets have also expanded beyond Viti Levu to the Northern Division where he is looking to expand the range of local produce and fruits for the export market.

"We applied for and were successful in obtaining a \$100,000 ECF with FDB late last year and with this we were able to increase our volume and range of products for export."

Tilapia pays off for Waisea

Nanukuloa Village rests along the foothill of the Kings Highway, 10 minutes outside of Vaileka, Rakiraki. The rolling hills on the eastern side of the main highway is part of a 10 acre holding belonging to Waisea Navakabau, 55, a retired territorial force soldier of the Fiji Military Forces.

Overlooking the azure waters of Navitilevu Bay, one wonders why in the midst of grazing cattle, dalo, cassava and a bee farm, is a tilapia fish pond – a stone’s throw from the sea, where fresh fish is already in abundance.

“I was in Sinai from 2006 to 2007 and I saw how the Israeli’s raised tilapia in ponds like this one and it interested me to do something similar when I got back home,” Waisea explained of the seemingly odd feature on his farm.

“So when I got back I did a three-week training in organic fish farming and applied for a loan from the Fiji Development Bank for \$1,889 earlier in the year for an aquaculture project which helped me set up the pond with 3,000 tilapia fries that I got from Naduruloulou and Ba hatcheries.”

Following an assessment by the Bank, Waisea’s loan was approved under the Bank’s Micro Credit Scheme, which allows farmers and individuals earning less than \$7,500 a year to borrow up to \$5,000 for the development of small business, planting, trading (canteen, village shop), education, health and the like. With water for the fish pond fed

from an underground spring source, Waisea carefully tended his new enterprise, feeding the fish with mixed meal pellets, coconut, cassava and kumala leaves, which cost him on average \$100 per month over the five months before harvest.

In August he brought in two harvests totaling 530 kilogrammes, which, at \$4/kg boosted his income in a few short months.

“Each fish weighs approximately 200 grammes and a fish from the sea weighs between 500 to 800 grammes at the same price per kilo depending on the catch and for families around here that would only feed one or two people whereas with tilapia, you get about five fish in a kilogramme bundle and that feeds an average family at the same price,” Waisea said.

The harvest sold quickly and Waisea had to turn people away disappointed.

With his bounty, Waisea managed to service two loans that he has with FDB, an earlier one of \$4,800 was taken in January 2008 for 19 bee hives that he also has thriving on his farm.

Waisea plans to replenish the pond in the coming weeks as soon as the fries are available. And for the next phase of his farm development, he’s interested in expanding his aquaculture venture to include a prawn farm as well.



“This project is the first of its kind for the Fiji Development Bank in the province and because of its success we’re looking forward to similar proposals in the coming months,” says Rakiraki Branch Manager Saimone Naikelekele.

“Waisea has shown that even though people live close to and have access to fisheries resources, at the end of the day it comes down to what they can afford.”

As Waisea rejoices with his new found success, he continues to work hard on his diversified farm which also has 10 heads of cattle for milk and meat, cassava, dalo as well as honey bees.

“Right now I have about 30 kilogrammes of honey in storage and I’m waiting for the price to pick up before I sell it,” he said adding, “the wet weather hasn’t helped either because it’s affected production but hopefully in the coming weeks, that too should improve.”

Mixed farming pays

Samu Boa Tirisamu is starting to see the rewards of nine years of hard work and yet he aspires to do better. For this 49 year-old Rewa native, a 20 acre farm in Nakama, Labasa is now his little piece of heaven to do with as he wants to prove that he can always do better.

Government's Northern Development Programme and the Fiji Development Bank's Agriculture and Small Medium Enterprise Loan facility has helped turn his struggling farm into the faming oasis that it is today.

The A&SME facility is geared to farms, forestry as well as other business ventures for the purposes of working capital or purchase of stock, equipment and acquisition of other goods or services to improve the enterprise. Clients can borrow up to \$0.5million under this facility.

Before he received the capital injection Samu worked long days to ensure he maximised his returned from his annual harvest of 360 tonnes of cane farmed on 10 acres and his one acre of cassava along with 50 layer birds.

Then in December 2008, with a personal input of \$10,000, a \$10,000 grant through NDP and \$30,000 loan from FDB, Samu built a battery for 500 layer birds which he raised from day old chicks, purchased feed for the chickens, water tanks, a farm vehicle and other farm equipment. He also paid off his loan from the Sugar Cane

Growers Fund. In August this year, he took an additional \$4,000 loan to expand his cassava plantation.

This year has been exceptional in terms of cane production with output increasing from 360 tonnes last year to 519 tonnes this year.

"I was told by the FSC that this was a record for this area," Samu said. So what's his secret? With his hand sweeping across his brow he laughs as he says, "sweat and hard work!"

For this high school drop out and father of five, making the best with what he has become a mission for him because he knows what its like to be without.

"When I got this farm nine years go there was only 60 tonnes of cane on it. I worked hard over the years to plant another nine acres of cane," he said.

Today, Samu plants one and a half acres of cassava, 80 vudi (plantains) and 36 banana trees. He has also plowed land for an additional 4,000 cassava plants.

From his chicken battery, by the end of September this year Samu was collecting 10 crates (30 count) of eggs with egg production increasing steadily since his birds started laying early in September.

"I lost five birds but with the 495 that I have left, I expect eventually to



collect 495 eggs a day," he said. At maximum production with his current flock, Samu can expect his battery to earn him around \$52,000 a year over the next two years.

"From these layers I also collect around 14 bags of poultry manure each week which I use on the other crops and it seems to be working quite well.

His future plans include moving away from cane farming to planting 13 acres of cassava, grazing goats on two acres and increasing his chicken battery to house 3,000 layers.

"There is good money in goat farming because right now, one goat fetches between \$300 and \$350," he said.



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The Fiji Development Bank provides financing for Agriculture, Small & Medium Enterprises (SMEs), Corporate and Micro Enterprise. It also provides an Export Credit Facility for businesses looking to export goods. The above loans are broadly categorized into Focused and non-Focused Sectors.

The Bank continues to provide financial assistance for business growth into the Focused Sectors as follows:

- Agriculture including Forestry and Fishing
- Mining & Quarrying
- Manufacturing
- Transport, Communications and Storage
- SME and Micro Loans in
 - Wholesale, Retail, Hotels and Restaurants
 - Professional & Business Service Sectors.

The Bank also maintains loans under non-Focused areas which are:

- Building & Construction
- Private Individuals
- Real Estate
- Larger Loans in
 - Wholesale, Retail, Hotels and Restaurants
 - Professional & Business Service Sectors.

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