

Strengthening small aquaculture businesses through improved financial literacy

The Pacific Community (SPC) recently delivered financial literacy training to small-scale tilapia fish farmers and mabe pearl farmers from Fiji's Western (Nadi) and Northern (Savusavu) divisions. The three-day training in both locations was well received by all participants.

Twenty-nine people, including fish farmers and staff from Fiji's Ministry of Fisheries and SPC, attended the first module of the three-day training at Tanoa Skylodge Hotel in Nadi between 11 and 13 February 2019. Similarly, 29 people, including mabe pearl farmers, tilapia fish farmers and staff from the Ministry of Fisheries and SPC convened at Daku Resort in Savusavu between 18 and 20 February 2019 to participate in the training, organised through the New Zealand Ministry of Foreign Affairs and Trade 'Sustainable Pacific Aquaculture Development Project' (PacAqua) in collaboration with Fiji's Ministry of Fisheries, and the Cooperative College of Fiji.

According to consultations with the Aquaculture Division of the Ministry of Fisheries, and the Fiji Development Bank, the lack of financial literacy among aquaculture farmers is a major risk that impedes lending to the aquaculture sector. Therefore, the training focused on building financial literacy among fish farmers so that they can operate their farms on a more business-like footing. The training included lectures, discussions and group presentations with a variety of thought-provoking topics covered: financial literacy, income and expenditure; saving, budgeting and goal setting; financial positioning; legal forms of

businesses; value added tax; causes of business failure; and marketing and record keeping (e.g. cash, expenses, sales book, cash float to develop monthly statement).

The mixture of both experienced and new farmers provided good opportunities for networking and sharing knowledge on real costs, marketing and experience. Meliki Rakuro, Fisheries Technical Officer (Aquaculture Division), added that encouraging farmers to accumulate savings assists with sustaining their business through effective reinvestment. Many new subsistence or semi-commercial farmers who were fully funded to start their projects by the Ministry of Fisheries, or some funding agency, end up spending all the revenue from their first crop cycle on other activities. This leaves the farmers with no funds to start their next production cycle. Many subsistence farmers face challenges opening savings accounts, planning and managing their businesses, and dealing with life events. Improved financial literacy will assist them with overcoming these challenges.

According to 32-year-old Samuela Tukai of Nagigi Village, Cakaudrove Province on Vanua Levu, the training opened



Participants to the 11–13 February 2019 training at the Tanoa Skylodge Hotel, Nadi, Fiji.

his eyes to the endless opportunities of running a successful business: 'I am the leader of the Mataqali Korolevu Youth Group, and this training has taught me a lot of things. We have a tilapia pond and are looking at expanding into another three ponds. I cannot wait to share with my fellow youths back in the village everything that I have learnt for the past three days'.

Raviravi Women's Group representatives from Macuata – Kalesi Nabobo and Jovivini Dikubou – said that they will certainly implement the great lessons that they learned: 'We are part of the Navutudua Women's Group, consisting of around 30 women in the village, and we produce mabe pearls,' said Nabobo. 'We have been running our business but are lacking in so many finer aspects of it, so when we return home we will certainly be gathering the women in the village and passing on the knowledge.' Both women also agreed that they would implement it as well in the running of their finances at home (see: <https://www.facebook.com/fisheriesfiji/>).

The mabe pearl market in Savusavu is considered lucrative because demand is high and local handicraft distributors are very keen to get more products.

It was encouraging to have a good turnout from the women farmers participating in the training, with eight participants from the Western Division and fifteen from Savusavu. Given that women play significant roles in the aquaculture sector, increasing women's participation and empowerment through training programmes is equally important. Ms Alili Laite, a farmer from Nadel Community pond, says that learning saving goals to better utilise money for their farm was very useful, and using income from sales to cover major expenses such as feed costs, along with cost-saving mechanisms will encourage them to make further improvements.

The Fiji Development bank recognises the certificates issued by the Cooperative College of Fiji. In this way, participation in this business training for aquaculture can positively help fish farmers gain better access to finance from commercial lending institutions in order to grow their farms.

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Participants to the 18–20 February 2019 training at the Daku Resort, Savusavu, Fiji.