

# 2016 Pacific Update Conference

*“Inclusive growth for enhanced resilience”*

## Agritourism and policy creation for linking tourism and agricultural development



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# Agritourism

- Any activity carried out on a farm or ranch that allows members of the general public, for recreational, entertainment, or educational purposes, to view or enjoy rural activities, including farming, wineries, ranching, historical, cultural, harvest-your-own activities, or natural activities and attractions. An activity is an agritourism activity whether or not the participant paid to participate in the activity.”

(Code of Virginia 3.2-6400)

# Agritourism

- Agritourism is any commercial enterprise that combines agriculture and tourism on a working farm, ranch, or other agribusiness operation.
- Also referred to as “entertainment farming” or “agritainment,” agritourism is a means of diversifying the farm and adding value (i.e. the farm experience) to products already produced on the farm. This is a hospitality business that requires strong public relations skills. It also necessitates the cooperation of the entire farm family and a willingness to take risks.

# Agritourism Definitions

Term used	Definition	Reference
Agritourism	"any practice developed on a working farm with the purpose of attracting visitors"	Barbieri and Mshenga (2008: 168)
	"a specific type of rural tourism in which the hosting house must be integrated into an agricultural estate, inhabited by the proprietor, allowing visitors to take part in agricultural or complementary activities on the property"	Marques (2006: 151)
	"rural enterprises which incorporate both a working farm environment and a commercial tourism component"	McGehee (2007: 111) and McGehee, Kim, and Jennings (2007: 280)
	"tourism products which are directly connected with the agrarian environment, agrarian products or agrarian stays"	Sharpley and Sharpley (1997: 9)
	"activities of hospitality performed by agricultural entrepreneurs and their family members that must remain connected and complementary to farming activities"	Sonnino (2004: 286)
Agrotourism	"tourism activities which are undertaken in non-urban regions by individuals whose main employment is in the primary or secondary sector of the economy"	Iakovidou (1997: 44)
	"tourist activities of small-scale, family or co-operative in origin, being developed in rural areas by people employed in agriculture"	Kizos and Iosifides (2007: 63)
	"provision of touristic opportunities on working farms"	Wall (2000: 14)
Farm Tourism	"rural tourism conducted on working farms where the working environment forms part of the product from the perspective of the consumer"	Clarke (1999: 27)
	"tourist activity is closely intertwined with farm activities and often with the viability of the household economy"	Gladstone and Morris (2000: 93)
	"to take tourists in and put them up on farms, involving them actively in farming life and production activities"	Iakovidou (1997: 44)
	"commercial tourism enterprises on working farms... This excludes bed and breakfast establishments, nature-based tourism and staged entertainment"	Ollenburg and Buckley (2007: 445)
	"activities and services offered to commercial clients in a working farm environment for participation, observation or education"	Ollenburg (2006: 52)
	"a part of rural tourism, the location of the accommodation on a part-time or full-time farm being the distinguishing criterion."	Oppermann (1996: 88)
Farm-based tourism	"increasingly used to describe a range of activities... [which] may have little in common with the farm other than the farmer manages the land on which they take place"	Roberts and Hall (2001: 150)
	"phenomenon of attracting people onto agricultural holdings"	Evans and Ilbery (1989: 257)
	"an alternative farm enterprise"	Ilbery, Bowler, Clark, Crockett, and Shaw (1998: 355)
Vacation Farms	"incorporate both a working farm environment and a commercial tourism component"	Weaver and Fennell (1997: 357)

# Agritourism Activities

## **Accommodations**

- ❖ Bed and breakfast
- ❖ Farm vacations
- ❖ Guest/dude ranch
- ❖ Retreat centers

## **Outdoor recreation**

Bird-watching

Bonfires

Camping

Fee fishing/hunting

Horseback riding

Picnic grounds

Scenic/nature trails

Wagon/sleigh/hay rides

## **Educational/Entertainment**

- ❖ Agricultural tours
- ❖ Barn dances
- ❖ Cook-offs/baking contests
- ❖ Concerts/musical events
- ❖ Cultural/heritage tours
- ❖ Exotic/domestic animals
- ❖ Farm demonstrations
- ❖ Festivals
- ❖ Historical re-enactments
- ❖ Holiday events (e.g. Christmas, Halloween)
- ❖ Host special occasion events (e.g. weddings)
- ❖ Horse farm tours
- ❖ Mazes
- ❖ Petting zoos
- ❖ Winery/distillery tours/events/wine-tasting

# Fiji - Agriculture Status

- The number of farms in 2009 is 32% less when compared with the 95,400 farms from the 1991 Census.
- The average size per farm has declined to 3.9 hectares from 6.2 hectares in 1991.
- In the 2009 Census results the size of the farm has been distributed into 8 major categories ranging from sizes of less than a hectare to 100 hectares and over.
- The biggest decline in the number of farms was in farm sizes of less than 1 hectare and of 100 hectares or more.

# Farm Sizes and Usage

Size of Farm	Farms	% Of Farms	Total Area (HA)	% Of Farm Area	Actual Land Use Area ( HA )								
					Temporary Crops	Fallow 1 Year & Less	Fallow > 1 Year	Permanent Crops	Coconuts	Pastures	Natural Forest	Planted Forest	Non-Agricultural Land
< 1 ha	28 564	43.90%	11 819.62	4.70%	4 959.68	1 168.92	1 050.78	3 054.23	59.52	132.94	538.88	16.89	837.78
1 up to 3 ha	17 203	26.50%	29 494.74	11.70%	7 443.59	2 768.93	2 814.64	9 518.84	223.33	1 019.53	3 458.72	87.57	1 759.57
3 up to 5 ha	7 910	12.20%	31 104.12	12.30%	3 625.05	1 831.65	3 312.78	15 942.83	347.04	1 674.49	2 351.25	85.21	1 933.83
5 up to 10 ha	6 915	10.60%	46 865.78	18.60%	4 509.64	2 582.20	5 447.97	23 257.91	637.37	3 563.44	3 665.40	187.93	3 013.91
10 up to 20 ha	3 040	4.70%	41 491.45	16.50%	2 993.62	1 410.19	6 140.62	13 488.71	789.31	6 091.92	6 955.95	349.83	3 271.31
20 up to 50 ha	990	1.50%	29 118.39	11.60%	682.4	714.18	2 747.00	6 088.05	978.18	8 767.37	5 900.26	464.75	2 776.20
50 up to 100 ha	285	0.40%	21 397.38	8.50%	372.42	163.97	857.97	2 083.01	1 453.78	8 624.55	6 742.00	70.63	1 029.04
100 ha or more	126	0.20%	40 567.34	16.10%	252.04	79.5	1 112.01	4 760.11	2 512.97	16 619.23	12 062.88	1 707.25	1 461.35
<b>FIJI</b>	<b>65 033</b>		<b>251 858.83</b>		<b>25 238.45</b>	<b>10 719.55</b>	<b>23 483.77</b>	<b>78 193.68</b>	<b>7 001.51</b>	<b>46 493.47</b>	<b>41 675.34</b>	<b>2 970.05</b>	<b>16 082.98</b>



# Farm types in Fiji

	Type of Farm	Total Farms	Total Area (HA)
<b>F I J I</b>	Crop	24 688	51 518.62
	Livestock	2 251	16 561.88
	Mixed	38 094	183 776.90
	Total	65 033	251 857.39

# Household income dependence on Farming

	Size of Farm	Percentage of Household Income from Farming								Total
		≤ 25%	% of Farms	26% - 50%	% of Farms	51% - 75%	% of Farms	≥ 76%	% of Farms	
Farms	< 1 ha	11 511	40.3%	4 377	15.3%	4 698	16.4%	7 978	27.9%	28 564
	1 up to 3 ha	3 053	17.7%	2 180	18.5%	3 393	19.7%	7 577	44.0%	17 203
	3 up to 5 ha	1 046	13.2%	1 283	16.2%	2 004	25.3%	3 577	45.2%	7 910
	5 up to 10 ha	754	10.9%	1 003	14.5%	1 516	21.9%	3 642	52.7%	6 915
	10 up to 20 ha	502	16.5%	476	15.7%	671	22.1%	1 391	45.7%	3 040
	20 up to 50 ha	139	14.1%	175	17.7%	193	19.5%	483	48.7%	990
	50 up to 100 ha	39	13.6%	33	11.5%	83	29.4%	130	45.5%	285
	100 ha or more	13	10.3%	12	9.5%	32	25.4%	69	54.8%	126
	<b>Total</b>	<b>17 057</b>	<b>26.2%</b>	<b>10 539</b>	<b>16.2%</b>	<b>12 590</b>	<b>19.4%</b>	<b>24 847</b>	<b>38.2%</b>	<b>65 033</b>

# Need for Agritourism

- Agriculture, including sugar, non sugar, livestock and subsistence farming, remains vital due to its contribution to Gross Domestic Product (GDP) and to the development of the economy. It provides food and livelihood security, promotes community development in rural areas, generates income for approximately 65 percent of the total population, and earns foreign exchange for the country.
- Over the past decade, the contribution of the agriculture sector to GDP (FIBOS) has decreased marginally from 12.3 percent in 2001 to 10.5 percent in 2008 and further declined to 9.5 percent in 2009.
- Average GDP 8.1% from 2009-2014
- The decline in the performance of the agriculture sector is a result of a combination of factors, such as vulnerability to natural disasters, minimal private investment into the sector, inadequate infrastructure, marketing deficiencies, and soaring production cost due to high inputs costs.

# Need for Agritourism

- **India Malegaon**

**25% increase in Farmers income in just one year, 2005**

- **Italy: Gallo Rosso**

**233% growth form 1999 to 2007**

- **U.S. Farms:**

**\$955 million additional income in just one year**

1. **2004**

<http://www.travelbizmonitor.com/ArticleDetails.aspx?aid=2654&sid=18&sname=Cover story>

2.

<http://www.tourismfutures.com.au/Publications/2009Presentations/Borcare%20Paulino>

# Need for Agritourism (Tourism Indicator)

	2009	2010	2011	2012	2013 <sup>b</sup>	2014 <sup>b</sup>
Visitor arrivals (numbers) <sup>a</sup>	542,186	631,868	675,050	660,590	657,706	692,630
Visitor departures (numbers)	536,889	625,779	667,729	652,502	647,234	680,289
Average length of stay (days)	9.8	9.6	9.4	9.4	9.5	9.5
Room occupancy rate (%)	42.2	45.8	47.4	47.2	48.1	50.1
Hotel receipts (F\$ millions)	517.6	648.6	756.2	792.7	835.3	875.2
Earnings from tourism (F\$ millions)	848.9	976.7	1,286.5	1,300.0	1,318.2	1,404.6

# Economically Sound – Multiplier Effect



# Policy Alignment

*Agri-Tourism: Macro Ecosystem*

## Policy Alignment

Developing  
Consensus on the  
Role of tourism in  
the Development  
Agenda

Remove Barriers to  
growth to Leverage  
Private Sector  
Investment

Augment Capacity  
Building

## Stakeholder Aggregation

Involve Rural Sector in  
Tourism and start  
mobile training units for  
service providers in  
rural areas

Mobilize support of  
primary players and  
provide legislative and  
regulatory support

## Livelihoods

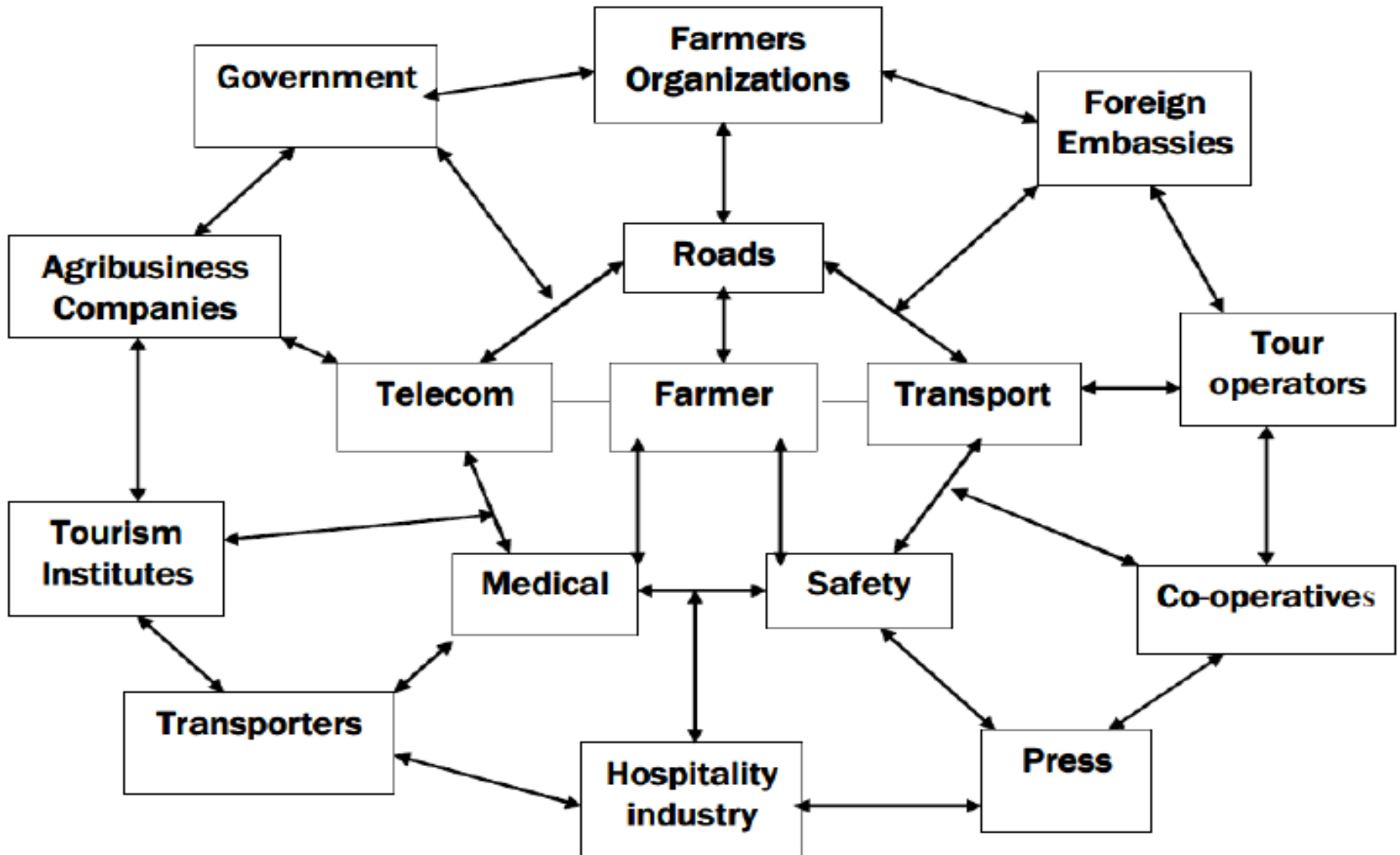
Culture

Nature

Culinary,  
Transport

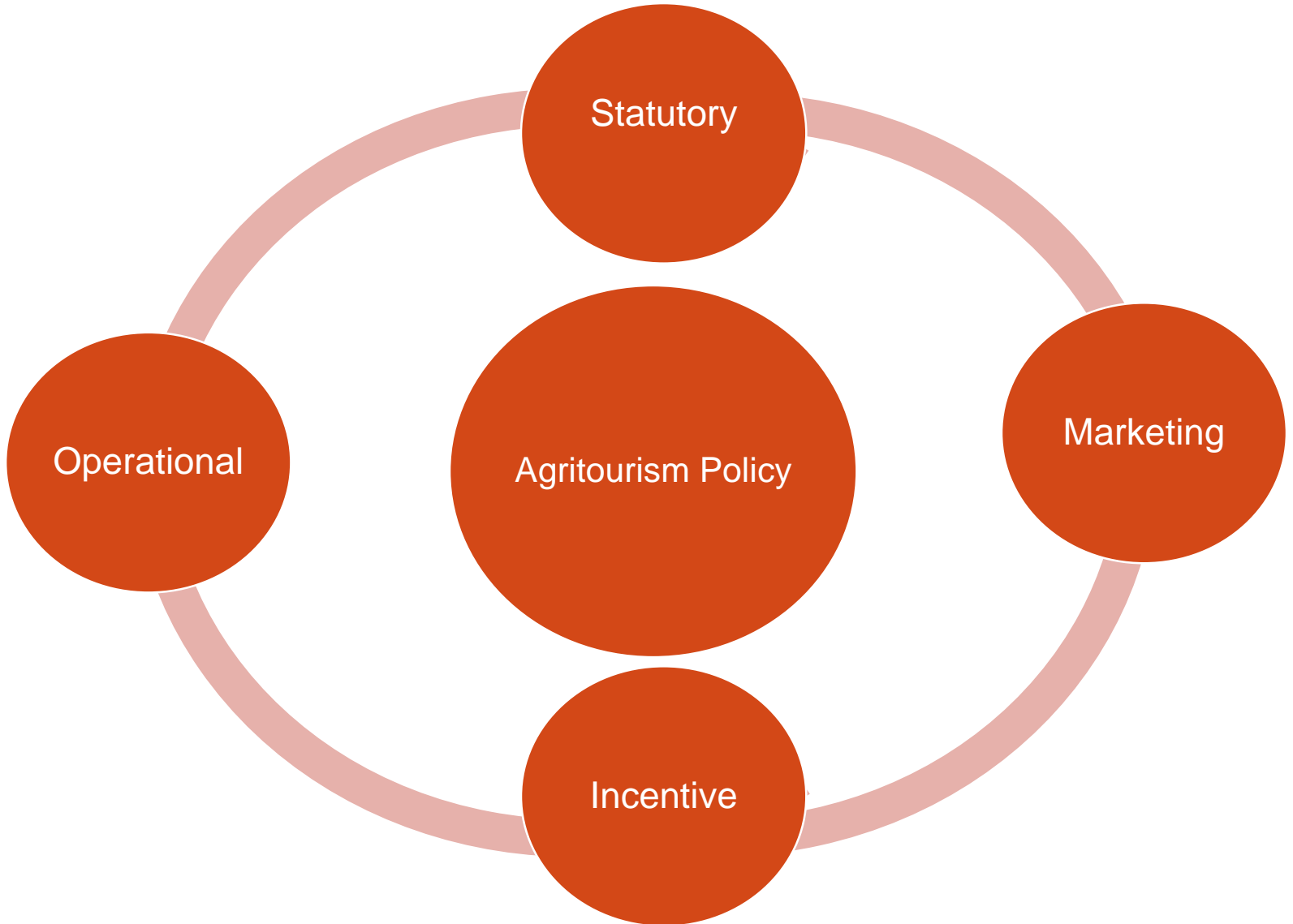
Ancillary  
Services

# Policy Framework Scope





# Policy Setting - Proposal



# Policy Proposal

- Initially cover running farms (less than equal to 5 Hectares)
- Cover Mixed Farm Type
- Stringent Quality and Control Measures
- Farm and Non-Farm activity (classification and limit)
- 25% product utilization from the farm
- Capacity Building (Agriculture-Tourism & Hospitality – Marketing – Accountancy)

# Typology – Agritourism

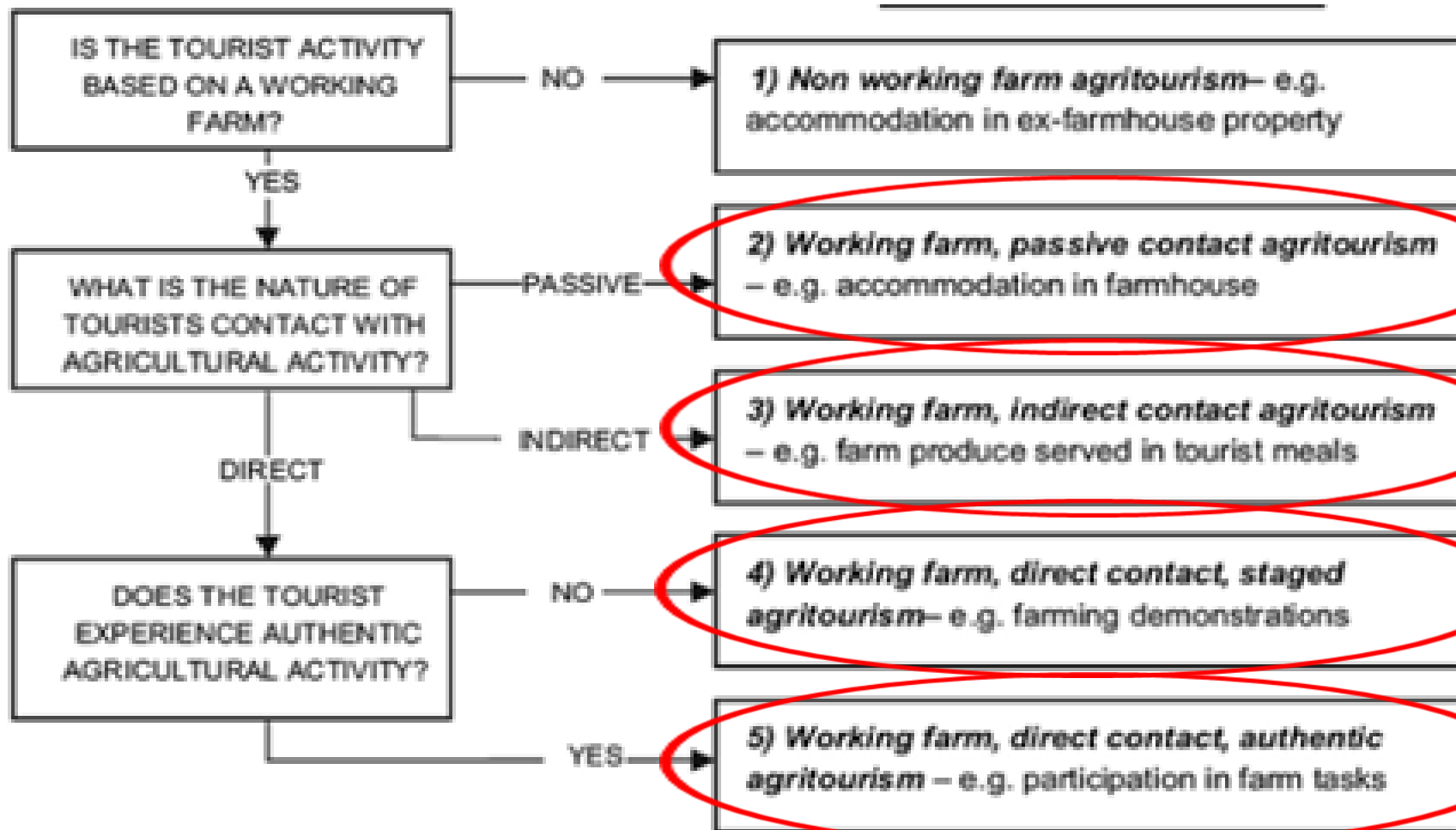
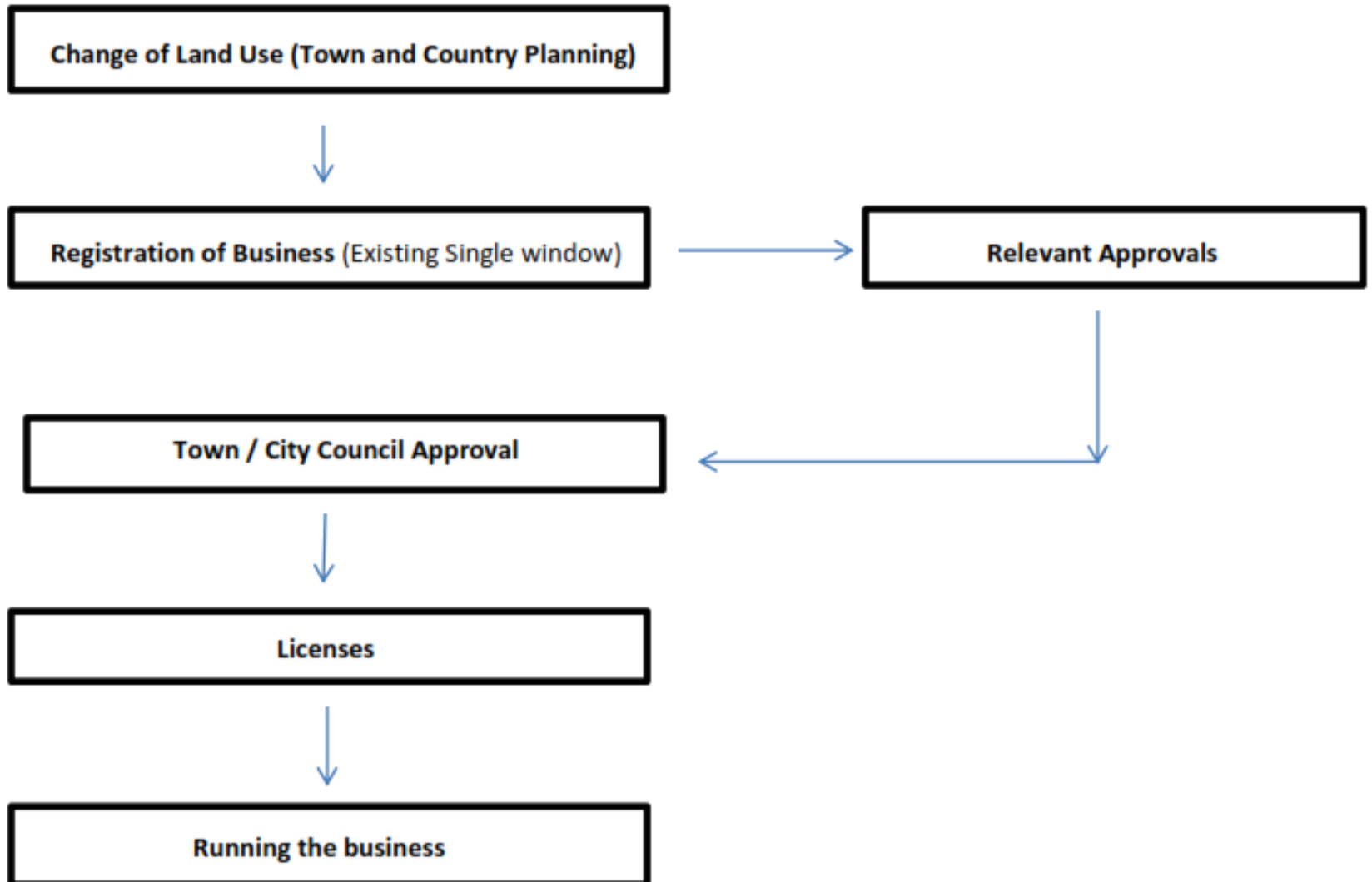


Figure 1 A typology for defining agritourism (Phillip et al., 2010)

# Statutory Policy

- Registering the businesses under Agritourism
- Landholding and current land use
- Rezoning or change of land use
- Minimum Size of Farm
- Raw Material Utilization
- Design, construction & number of Accommodation & Facilities
- Permit and Fees
- Single Window Clearance

# Single Window Clearance Proposal



# Existing Acts - Single Window

- LAND USE DECREE 2010
- AGRICULTURAL LANDLORD AND TENANT ACT [CAP 270]
- BUSINESS LICENSING ACT (CAP. 204)
- DAIRIES ACT (CAP 118)
- FOOD SAFETY REGULATIONS 2009 ((NO. 10 OF 2003)
- HOTEL AND GUEST HOUSES ACT [CAP 195] (*ACT NO. 27 OF 1973*)
- SUBDIVISION OF LAND ACT [CAP 140]
- DRAINAGE ACT [CAP 143]
- ELECTRICITY ACT (CAP. 180)
- LIQUOR ACT 2006
- MEAT INDUSTRY ACT (CAP. 237)
- INCOME TAXT ACT [CAP 201]
- VALUE ADDED TAX DECREE 1991
- WORKMEN'S COMPENSATION ACT(CAP. 94)

# Operations Policy (Quality and Control)

- Farm and Non –Farm activity (Classification)
- Standardization and grading of facilities (Classification code)
- Number and duration of events (Limit)
- Maximum number of attendance
- Lights, Signage, Noise, Hygiene and Sanitation, Waste Management, Food Preparation, Parking and traffic management, Liquor holding and servicing serving
- Security
- Liability and Insurance

# Marketing Policy

- Only Registered businesses
- A positive and consistent image
- Safety and security



# Incentive Policy

- Simple and hassle free registration
- Depending on the Family dependence on Farm Income
- Depending on the years of land holding and utilization
- Depending on the area of land holding
- Accessibility of place
  
- Policy Inclusion:
  - Monetary
  - Publicity
  - Social Infrastructure/Non-institutional infrastructure
  - Capacity Building

# Thank You

