Pacific Horticultural & Agricultural Market Access Plus Program

Supported by Australia & New Zealand

Kava Export Development in Fiji

PHAMA Plus Performance Story

Australian Aid

NEW ZEALAND FOREIGN AFFAIRS & TRADE
Manatū Aorere

Kava Export Development in Fiji - PHAMA Plus Performance Story

Client: Department of Foreign Affairs and Trade

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Summary

Over the past 15 years, Fiji's kava economy has undergone a remarkable transformation. What was once a largely subsistence crop with modest commercial value has now become the country's most valuable agricultural export. In 2008, near the start of the first phase of the Pacific Horticultural and Agricultural Market Access (PHAMA) Program, kava exports were valued at under FJD4 million. By 2024, the Fiji Bureau of Statistics reported a more than tenfold increase exceeding FJD53 million. The broader kava sector is now estimated to be worth over FJD190 million when domestic consumption, processing and informal sales are included.

The kava industry now supports more than 14,500 farming households across Fiji, up from approximately 10,400 households recorded in 2016, according to the Fiji Yaqona Farming Household Census 2024. The major growing regions include Kadavu, Bua, Cakaudrove, Naitasiri, and parts of Macuata and Lomaiviti. For many of these rural communities, kava has become a critical source of income, far exceeding subsistence returns and playing a vital role in sustaining rural economies—not just during boom periods but as a stable livelihood option.

Fiji's kava economy has experienced three major booms. The first was driven by exports to Europe, which collapsed in the early 2000s following an export ban due to concerns over product safety and inconsistent quality. Kava production and trade gradually recovered, and with favourable conditions steady growth occurred in both domestic and export demand up until around 2012. The second boom was curtailed by poor growing conditions in 2013, and the impacts of Tropical Cyclone Winston in 2016, which devastated many plantations and drove up regional demand—particularly in Pacific Island countries—amid constrained supply. The third and current boom, beginning around 2021, is linked to significant growth in global exports. This phase is characterised by growing product diversification, stronger quality assurance systems, and the entry of Fijian kava into mainstream retail channels.

This rapid growth has been driven by increased demand from the United States—home to approximately 400 kava bars and a growing wellness sector—as well as Australia, New Zealand, and other emerging markets. The launch of Australia's Kava Commercial Import Pilot in 2019 marked a turning point, shifting the market from informal gifting to formal commercial channels. Today, Fijian kava products are stocked in major Australian retailers such as Coles and Woolworths, representing a milestone in market formalisation and recognition of Fiji's improved product quality and supply systems.

There is strong evidence that the Australian and New Zealand governments have helped accelerate the development of Fiji's kava sector through their investments in PHAMA and PHAMA Plus, as well as their partnerships with government and industry. PHAMA Plus, in particular, has contributed to improvements in kava quality, biosecurity, plant health, and market access—leading to higher household incomes and export earnings. These efforts, in collaboration with the Government of Fiji and industry stakeholders, have underpinned the sector's rapid growth and formalisation.

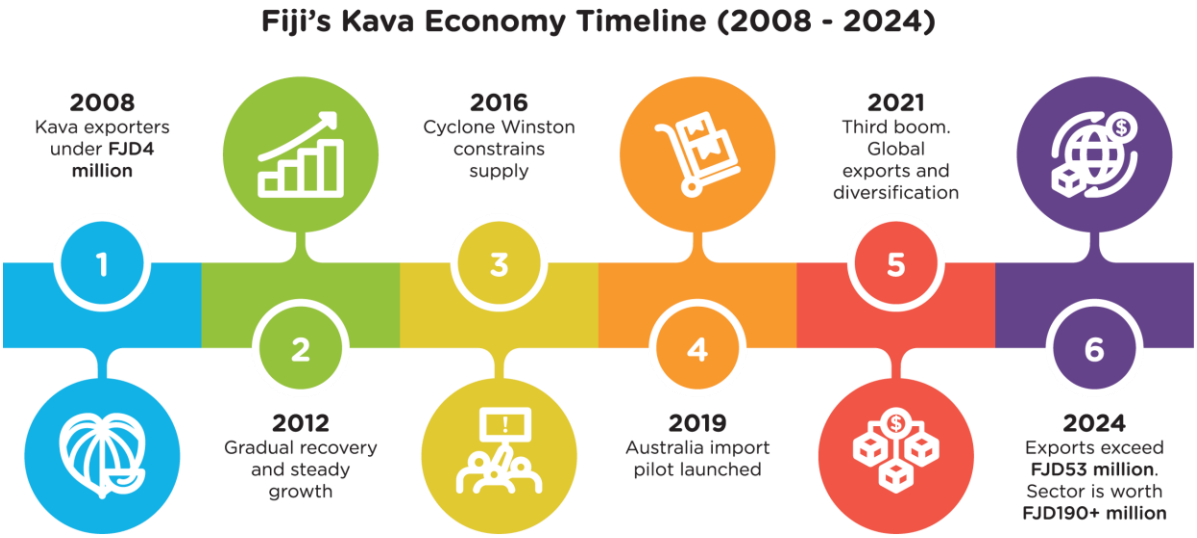
Key program contributions include co-investment in on-farm and processing infrastructure (particularly demonstrating the strong business case for scaling green kava), the development of the Fiji Kava Quality Manual (2017), the Fiji Kava Standard (2017) and the Kava Plant Health Guide (2025), facilitation of market access support for the Australian Commercial Kava Pilot Program, and support for export certification and policy dialogue in Fiji and regionally.

Across Phases I and II, the program's interventions have enabled 5,500 kava-growing households – comprising 8,908 men, 4,454 women, 3,514 youth, and 895 persons with disabilities – to access newly opened Australian and other international markets through processors and exporters. Notably, support for the Australian Commercial Kava Pilot Program alone generated an estimated FJD2 million in benefits for kava-farming communities across Fiji in 2022. This is part of the 246 tonnes of kava, valued at FJD28 million, that have been exported from Fiji to Australia since the Australian market opened in 2021 to Q3 2025.

Furthermore, the green kava model introduced by Lami Kava has delivered substantial economic and social benefits for both farming households and the company. Lami Kava's green kava-based product exports increased by 63% compared to 2021, driving benefits throughout its supply chain. In total, 94% of Lami Kava's supplying households – representing 169 households or 867 individuals (448 men, 419 women, including 209 youth) – reported benefit from higher sales and other income-generating activities made possible by time saved from drying kava. This has resulted in a rise in attributable income by 26%, underscoring the model's success in promoting inclusive growth and sustainable livelihoods.

However, challenges remain to protect against further 'boom-bust' cycles.

Sustainable production practices are increasingly important as production pressures and plant health risks (such as kava dieback disease and nematodes) increase. A stronger approach to legislative and regulatory frameworks is needed to protect the integrity of kava exports from Fiji, and stronger industry organisation and representation would support improved coordination and advocacy. The sector also faces ongoing gender disparities, with women largely under-represented in commercial kava farming and trade. Understanding and addressing these gaps will be essential to ensuring the kava economy continues to grow inclusively and resiliently.



Nalidi Village farmers, who supply to Lami Kava, harvest kava at their plantation in the hills of Ra Province

Contents

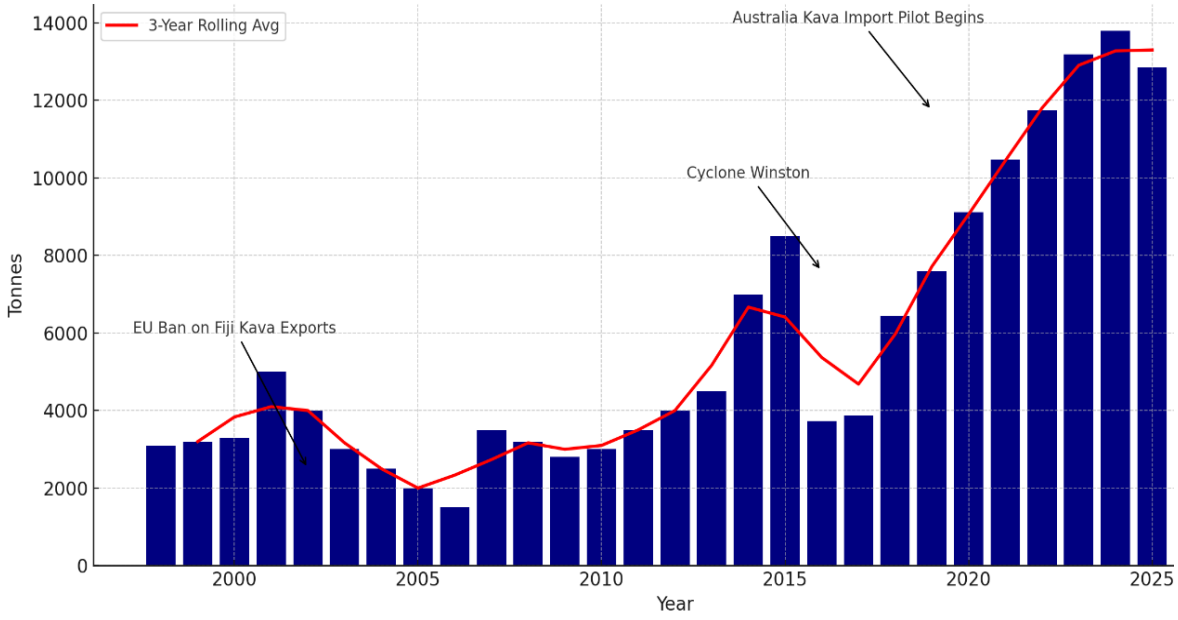
Acronyms

AUD	Australian Dollar
BAF	Biosecurity Authority of Fiji
CMV	Cucumber Mosaic Virus
DAFF	Department of Agriculture, Fisheries and Forestry (Australia)
FJD	Fijian Dollar
FNU	Fiji National University
FFT	Family Farm Team
GDP	Gross Domestic Product
HACCP	Hazard Analysis and Critical Control Points
KDD	kava dieback disease
MDF	Market Development Facility
MoAW	Ministry of Agriculture and Waterways
MPI	Ministry of Primary Industries (New Zealand)
PHAMA Plus	Pacific Horticultural and Agricultural Market Access Plus Program
SPC	The Pacific Community
TRTC	Tutu Rural Training Centre
US / USA	United States (of America)
USDA	United States Department of Agriculture

1 The growth of Fiji's kava economy (2008–2025)

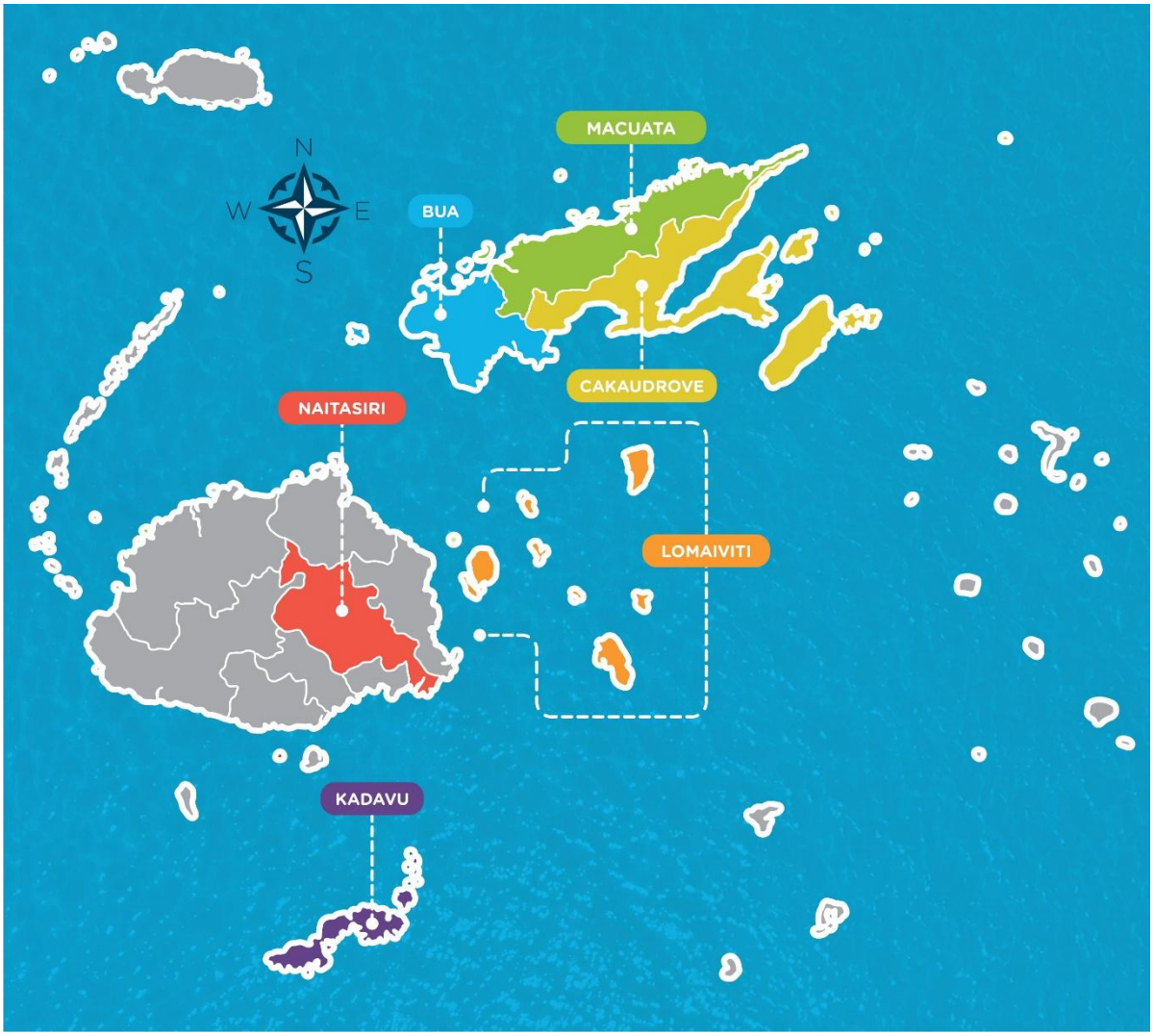
Fiji's kava industry has experienced three distinct booms over the past three decades. The first boom, in the late 1990s and early 2000s, was abruptly halted when the European Union imposed trade sanctions on Pacific kava due to quality concerns—specifically, reports of liver toxicity—triggering a collapse in export demand. The second phase of growth, in the early 2010s, was disrupted by Tropical Cyclone Winston in 2016, which devastated plantations and exposed long-standing weaknesses in the agriculture sector, including poor productivity and declining investment in non-sugar crops. The third and current boom has been driven by diversification into new products, rising productivity, and strong export growth to the United States (US) and Australia, underpinned by improved standards, branding and market access.

Trends in Kava Production in Fiji, 1998 - 2025



Source: Fiji Bureau of Statistics

In 2008, Fiji's kava sector was a modest, largely subsistence-based industry. Exports were valued at less than FJD4 million; most production was informal and for local use, and the sector received limited policy or investment attention. Fewer than 11,000 households were actively engaged in kava farming, and agriculture as a whole contributed just 8% of GDP (Fiji Bureau of Statistics and Ministry of Agriculture, 2011 census). Fast forward to the 2020s, and kava has become one of Fiji's most dynamic and valuable industries. Export earnings reached more than FJD53 million in 2024, with strong demand from the United States and Australia. The total sector value—including domestic trade—is now estimated at over FJD190 million, contributing to a rise in agriculture's share of GDP to almost 11% (Fiji Bureau of Statistics and Ministry of Agriculture, 2023 census). More than 14,500 farming households are now involved in kava production, and at the time of writing dried kava commands prices of up to FJD80–100/kg, reflecting strong international demand and tight supply. What was once a traditional cash crop has become a cornerstone of Fiji's rural economy and a leading export commodity.



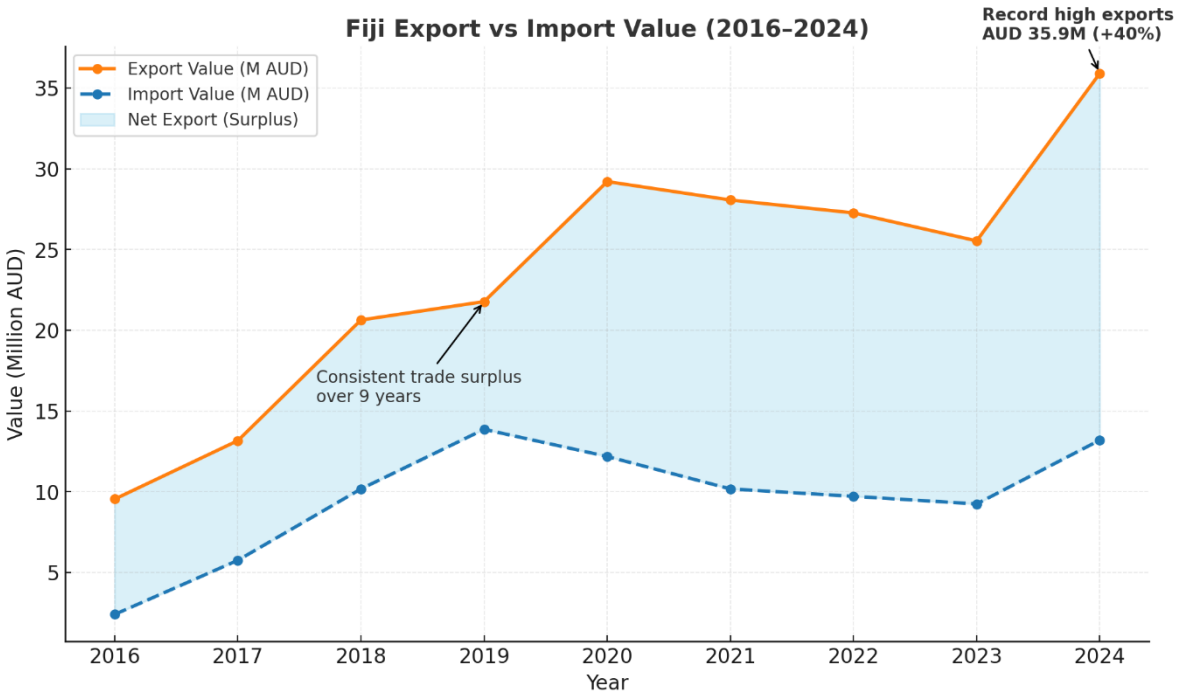
Map showing Fiji's key kava growing areas

Key industry metrics: then and now

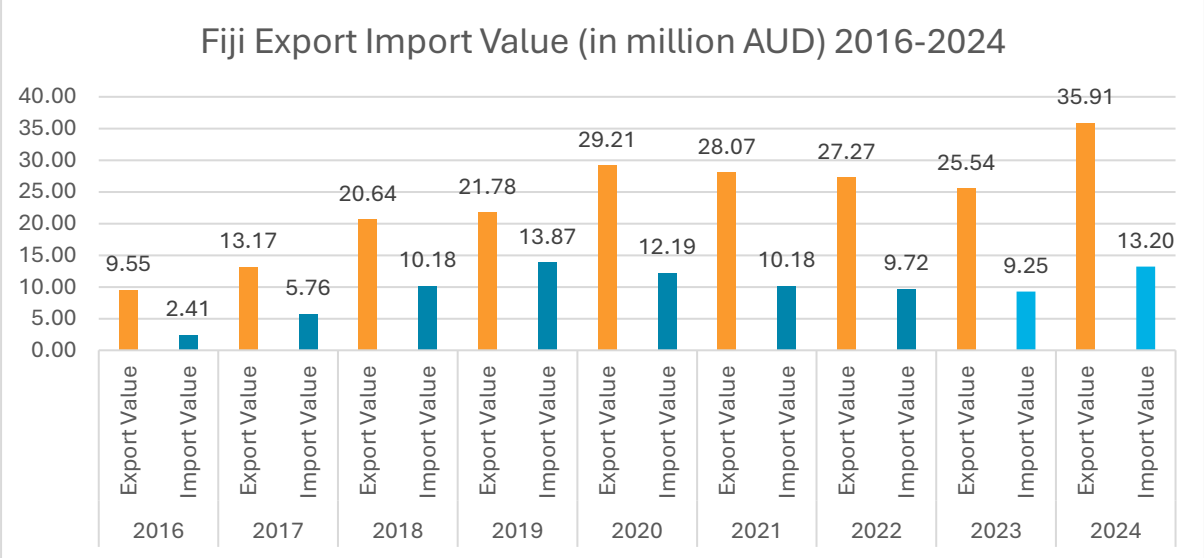
Metric	2016 Estimates*	Most Recent Data^
Number of kava growers	10,400 (1 in 8 rural households)	14,532 (2024)
Area under crop	4,000 – 5,000 hectares	12,305 (2020)
Yield	2.6 – 2.8 tonnes/hectare (harvested)	2 tonnes/hectare (harvested, 2020)
Kava harvested (dry weight)	4,000 – 4,500 (tonnes)	24,610 tonnes (2020)
Imports (dry weight)	100 tonnes	277 tonnes (2023)
Exports (dry weight)	250 tonnes	730 tonnes (2024)
Value of Harvest (FJD)	n/a	191,200,000 (2024)

**SOURCE: Fiji Kava Value Chain Analysis, PHAMA (2016)*
^SOURCES: 2020 Fiji Agricultural Census, MoAW and Food and Agriculture Organization (2021) and 2024 National Yaqona Farming Household Census, MoAW (2025); https://stats.pacificdata.org (2025)

The third and current kava boom is linked to significant growth in global exports. The value of exports was previously relatively small but began increasing to the United States around 2013. However, the major boom has been since 2020, with prices, volumes and the range of destination markets all increasing (see chart below).



Fiji's kava trade continues its upward trend, with export earnings reaching a record AUD35.9 million in 2024, maintaining a trade surplus for the ninth consecutive year.



Kava exports by top five destinations (2019-2024) in FJD

	2019	2020	2021	2022	2023	2024 (Jan-Jun)
United States	22,282,561	29,567,526	25,931,694	23,796, 249	26,200,000	13,296,000
New Zealand	4,418,523	5,271,959	5,188,355	4,412,509	3,658,400	1,973,600
Marshall Islands	1,770,113	2,640,711	4,059,937	3,797,369	3,098,200	1,871,200
Nauru	1,058,310	1,342,425	1,364,591	679,176		
Australia	83,231	431,420	1,204,884	4,543,881	4,500,000	2,971,200

Fiji Bureau of Statistics, International Merchandise Trade Statistics, FBC News

The current phase of kava growth is characterised by greater product diversification, stronger quality assurance systems, and the entry of Fijian kava into mainstream retail channels. This rapid growth has been driven by increased demand from the United States—home to approximately 400 kava bars and a growing wellness sector—as well as Australia, New Zealand and other emerging markets. The launch of Australia's Kava Commercial Import Pilot in 2019 marked a turning point, shifting the market from informal gifting to formal commercial channels. Today, Fijian kava products are stocked in major Australian retailers such as Coles and Woolworths, representing a milestone in market formalisation and recognition of Fiji's improved product quality and supply systems.

The strong and sustained growth in the kava sector, through improved production, market access, and quality, is well established. The following sections explore the contributions that PHAMA and PHAMA Plus have made to these improvements over the years.

2 From PHAMA to PHAMA Plus: 15 years of supporting Fijian kava

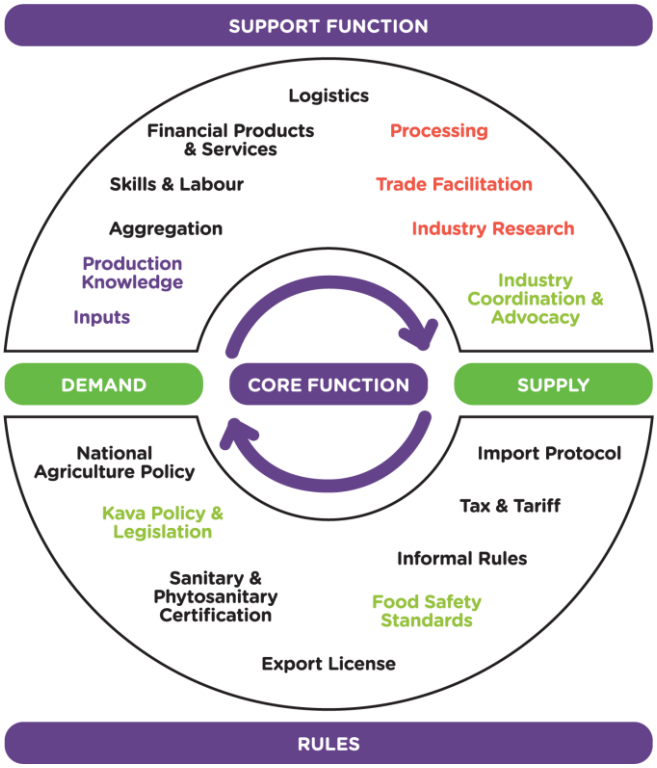
PHAMA and PHAMA Plus have applied a phased approach to strengthening Fiji's kava sector since 2011. The strategy has evolved over time, including the introduction of a market systems development approach with the start of PHAMA Plus in 2019. The strategic objective has remained consistent: to establish a self-regulating, profitable and resilient kava sector that supports rural livelihoods, meets export standards, and expands diversified product offerings in global markets. This vision is grounded in three mutually reinforcing pillars, with investments across these pillars prioritised to address structural and systemic constraints:

i. **Building a robust enabling environment** – supporting the legal, regulatory and institutional functions that underpin export growth, particularly through national standards, and strengthened industry coordination and engagement.
ii. **Enabling market access and product development** – facilitating diversification beyond traditional beverage markets, improving product quality and reliability, and addressing regulatory compliance and market entry challenges.
iii. **Stimulating high-quality production** – increasing volume and consistency of supply through high-quality, disease-free planting material and the adoption of improved agronomic and post-harvest practices.

The market systems diagram for the Fiji kava sector (below) outlines the support and regulatory functions essential for the development, learning, adaptation and growth of the market. Key support functions include:

- industry coordination via industry working groups and taskforces;
- national kava rules and regulations;
- improved inputs and production knowledge; and
- enhanced and market access on the supply side, alongside improved processing, quality and trade facilitation on the demand side.

The rules and norms comprise both formal elements (laws, regulations and standards) and informal aspects (values, relationships and social norms), all of which are crucial in shaping incentives and behaviours within the market system. Notably, the areas where PHAMA and PHAMA Plus have invested, in partnership with both public and private sector stakeholders, are shown in coloured text, coded to the strategic pillar they most strongly align with (building a robust enabling environment, enabling market access and product development, or stimulating high-quality production).



PHAMA Plus, Fiji kava market systems framework

Since this strategy was first developed in 2019, the sector has continued to evolve, and PHAMA Plus has adjusted its support to meet shifting industry needs and market conditions. For example, while early efforts focused heavily on nurseries and planting materials, there has been a strategic pivot toward plant health and biosecurity, with an ongoing emphasis on good farming practices and improving harvest quality. Similarly, PHAMA Plus's market access efforts have transitioned from an earlier focus on opening new markets, to more targeted support for product diversification within established markets such as the United States and Australia.

	Building a robust enabling environment	Enabling market access & product development	Stimulating high quality production
PHAMA	• China market research to inform market strategy. • Established and supported Market Access Working Group. • Established the Kava Taskforce, later becoming the Kava Steering Committee chaired by MoAW.	• Co-invested with Green Gold Kava to improve packing facility. • Developed kava quality manual. • Developed National Kava Quality Standard. • First HACCP certifications for kava exporters. • Improved testing for kava varieties.	• Farmer nursery visits for training on production of kava planting material. • Co-invested with start-up business to establish production of kava tissue culture planting material.
PHAMA Plus Phase 1	• China market visit to progress commercial linkages. • Facilitated awareness of Australian Kava Pilot & compliance checking of labelling. • Analysis of emerging opportunities through Australian Kava Pilot. • Supported development of first regional CODEX standard for kava.	• Co-invested with Lami Kava to de-risk expansion into green kava, dramatically increasing production and throughput. • Supported development and use of remote service delivery for exporters to retain their HACCP certification.	• Established kava nursery at Tutu to help build supply of planting material.
PHAMA Plus Phase 2	• Ongoing support for facilitation of the Kava Steering Committee and technical advice on emerging priorities. • Co-investment with FNU to expand national scale kavalactone data availability.	• Co-invested with Lami Kava to diversify product range and market access. Supported Lami Kava to develop a Workplace Domestic Violence Policy and deliver disability sensitisation training. • Improved microbial testing capacity housed in Lami Kava, for exporters to access on a fee-for-service basis.	• Kava plant health field research and Kava Plant Health communications products to prevent and manage pests and diseases including KDD.

PHAMA Plus Fiji kava summary of interventions, 2011- 2025

Many of PHAMA Plus's investments are now showing signs of long-term sustainability, and of growing relevance and influence as the sector matures. For example, the success of green kava as a proof of concept has been well established, with multiple exporters now adopting these practices and offering a clear value proposition for growers. Sustained support for kava quality standards in Fiji and across the region is proving foundational in shaping Fiji's kava policy and legislative agenda. The program's technical advice documents on kava production continue to be the primary resources supporting extension services across the country.

Each initiative undertaken by PHAMA Plus is interlinked with others, collectively creating a cohesive, system-wide impact. Improvements to quality and standards complement market-expansion efforts by providing a framework that supports international trade. Enhancements in plant health contribute to sustained supply-chain reliability, crucial for accessing and maintaining high-value markets. Improved quality standards ensure product competitiveness and marketability, further bolstering Fiji's kava sector on the global stage. As shown below, this integrated approach has woven together a series of interventions to generate systemic change.

However, ongoing opportunities remain to consolidate gains, secure market share and position the sector for greater regulatory leadership that protects product quality and continued market access. Encouragingly, there is strong momentum from both government and industry.

3 A collaborative approach to strengthening systems and the enabling environment

There is strong evidence that PHAMA Plus has contributed to strengthening the enabling environment for both export and domestic market success. Central to this has been its convening role, bringing together and supporting collaborative industry and government efforts.

PHAMA Plus has invested in strengthening stakeholder engagement and supporting locally led priorities through the Kava Steering Committee, the current public-private dialogue platform, which has evolved from previous versions such as the Kava Taskforce and Market Access Working Group. These forums have established kava as a key sectoral priority under PHAMA Plus, and continue to demonstrate the ongoing value of investment in the kava sector. They have also brought together inputs from exporters, processors and public agencies to consider export development opportunities and help guide relative priorities for attention at different points in time. Recent collaboration has seen renewed interest and momentum, spurred by an active national legislative agenda and the Regional Kava Development Strategy, along with private sector advocacy to address growing kava-supply constraints.

In response to priorities established through the Kava Steering Committee, PHAMA and PHAMA Plus have contributed significantly to strengthening the enabling environment for export market access. Key tools have been developed, such as the Kava Quality Manual, the Kava Standard and technical advice to finalise regional standards through CODEX Alimentarius. Kavalactone research has helped establish an improved evidence base for ongoing development of regulatory frameworks, and advisory services on health and safety standards have helped exporters navigate import requirements into key markets. This work continues to inform ongoing support for the development of the Fiji Kava Bill and accompanying regulations. Over time, these efforts to build greater quality, reliability and integrity across Fiji's kava sector have contributed to expanding market access and export growth.

"The Market Access Working Group had helped in the initiation of the opening of the kava export market to Australia and I believe it has helped the agriculture sector in other areas as well," Timoci Bogidua, Economics Planning and Statistics Division, Ministry of Agriculture and Waterways.

Looking ahead, advancing the legislative agenda—particularly finalising the Kava Bill—and improving industry coordination and advocacy through a formal industry representative body will be essential to sustaining growth and safeguarding quality in an increasingly competitive global market. As stakeholders such as the Ministry of Agriculture and Waterways (MoAW) and the Biosecurity Authority of Fiji (BAF) have noted, the relationship with Australian and New Zealand agencies has matured considerably over the past decade, creating a foundation of trust and responsiveness that will be vital for future collaboration.

4 Improving market access

There is strong evidence that PHAMA Plus has contributed to enabling and accelerating Fiji's kava sector to expand its reach and diversify its product offerings. The groundwork laid by PHAMA Plus through its support for standards, exporter readiness and policy coordination has enabled Fijian exporters to enter new markets and adapt to evolving global product demands.

One of the most notable examples of this was its contribution to the implementation of Australia's Kava Commercial Import Pilot, which enabled legal commercial imports of kava for the first time. PHAMA Plus played a critical role in supporting exporters to prepare for, and comply with, Australia's import requirements.

Australia has quickly become Fiji's second-largest export market, with an estimated FJD4.5 million in export revenue in 2024. The pilot also drove significant private sector investment, catalysing over FJD2.7 million in HACCP-certified facilities, packaging, and new product formats such as instant powders and bottled beverages. Demand emerged across both diaspora-driven informal channels and formal retail markets, including Coles, Costco and Chemist Warehouse. These impacts were confirmed independently in a report commissioned by PHAMA Plus, carried out by DevLearn.

"PHAMA Plus played a key facilitation role…including engaging with the Australian Government on behalf of the Fiji Government and kava exporters, and providing technical support to meet regulatory requirements," DevLearn.

Concurrently, PHAMA Plus has supported producers and processors to respond to evolving international standards by investing in quality processing infrastructure, HACCP certification, and improved product testing, labelling and traceability. These investments have enabled kava exporters to access premium retail channels, while also supporting branding strategies that differentiate Fijian kava.

A Lami Kava employee holds up kava packets exported globally.

5 Accelerating innovation in green kava processing

Building on the foundations laid during the first phase of PHAMA, the program has taken a system-wide approach—supporting biosecurity protocols, product standards, and export compliance—while promoting private-sector innovation and diversification.

A quiet revolution is underway in Fiji's kava industry, as forward-leaning processors experiment with green kava as an alternative to traditional sun-drying methods. PHAMA Plus has worked alongside these private-sector innovators to help de-risk and accelerate this shift, improve its viability, and explore how green kava processing might scale across the sector.

For firms such as Lami Kava, the move towards green kava has enabled earlier intervention in the value chain, allowing them to apply stricter hygiene standards and more consistent processing methods. This has led to lower procurement costs, improved quality and better control over inputs destined for premium export markets. PHAMA Plus has supported this innovation by investing in proof-of-concept trials and equipment.

The innovation around green kava did not originate with the program, but PHAMA Plus has played a catalytic role in supporting its diffusion, de-risking private investment and helping turn promising ideas into tangible economic opportunities. While widespread value-adding from green kava is still emerging, the potential is evident, and other large exporters have also taken up the opportunity—particularly in relation to new product formats such as kava beverages and instant preparations, which rely on fresh-root inputs.

What is green kava?

Green kava refers to kava roots, or products made from roots, that have been harvested and processed prior to drying.

Why is it important?

When exporters buy green kava it means they have more direct control over washing, grading, and processing, allowing them to deliver greater quantities of high quality product for premium export markets.

When growers sell green kava, they have lower input costs, reduced risk of theft and have more time and greater flexibility to pursue other income-generating activities, which builds their economic resilience and security.

For growers, the model offers clear benefits: less time spent drying, lower input costs, reduced risk of theft and greater flexibility to pursue other income-generating or community activities.

Monitoring and evaluation of the green kava initiative under PHAAM Plus, has identified significant improvements to production, income, and livelihoods among participating kava growers. Average green kava output has increased by about 30%, reflecting improved yield of around 276 kg per acre. Over 82% of farmers interviewed reported an increase in kava cultivation due to the growth of the green kava business. Correspondingly, 78% of farmers sold more to Lami Kava in 2025, resulting in increased sales revenue from green kava. Furthermore, 88% of farmers reported using the time saved from drying kava for other income-generating work, mainly agriculture and small businesses. Overall, the total attributable net income across both income streams (green kava and other activities) has risen by 17%, benefiting 168 kava-growing households (94% of the suppliers) and improving the livelihood of 867 people.

Farmers expressed overwhelmingly positive perceptions of green kava's economic and social benefits. They agreed that the initiative increased kava cultivation (82%), generated employment (76%), and enhanced food security (76%) by freeing up time for food crop production. Farmers report that income from green kava is widely used to improve education, healthcare, housing, and savings, demonstrating tangible household-level welfare gains.

Overall, the green kava model has strengthened farmers' income, diversified livelihoods, and fostered broader community resilience, underscoring its potential as an inclusive and sustainable value chain model in Fiji's kava sector.

As mentioned above, further work is needed to better understand current gender roles across the kava value chain, including potential differences that are emerging between green kava and dried kava production. Kava remains a strongly male-dominated sector, underpinned by gender norms that are tied to cultural consumption of kava. A concentrated effort to build more inclusive value chains will be important for sustaining the productive capacity of the sector going forward, and to ensure that opportunities extend equitably to all parts of society.

Lami Kava – a catalyst for green kava, product diversification and market access in Fiji's kava industry

Lami Kava began as a small family-run operation and, over the past 15 years, has grown into a trusted processor and exporter of kava. It is known for its commitment to quality and responsiveness to both market and community needs. The company has been a key player in the transition from traditional dried-kava processing to green-kava sourcing, a shift that has unlocked economic and social benefits for both the business and the communities it works with.

Lami Kava also champions the use of sector wide knowledge tools developed by PHAMA Plus to support farmer engagement and policy alignment. It distributes the national Kava Quality Manual to new farmers, helping them understand and meet post-harvest quality expectations. Meanwhile, the Kava Value Chain Analysis is used to guide strategic decisions and engage with government. Lami Kava has also played a leading industry role, advocating for sector priorities and championing opportunities for coordinated industry development.

"Even after 13 years, every time we have a new farmer, we give them a copy of the Kava Quality Manual," Edward Hoerder, Lami Kava

Support from PHAMA Plus has played a vital role in accelerating Lami Kava's market evolution and providing a de-risked environment for proof-of-concepts. The partnership initially focused on helping the company achieve HACCP certification to access premium markets, improve food safety standards to maintain access during COVID-19, and obtain USDA Organic certification for export promotion. More recently, PHAMA Plus co-invested in the installation of a wash bay, allowing Lami Kava to process green kava at scale. This infrastructure improvement has raised sanitation standards, reduced purchase costs and given the company greater control over product quality.

Machine washing of kava roots at Lami Kava

The impact has extended well beyond the factory floor. Lami Kava's green kava-based product exports have increased by 63% compared to 2021, driving benefits throughout its supply chain. By shifting to green kava procurement, Lami Kava has reduced the burden on farmers, who no longer need to dry their kava – saving labour, reducing theft risk, and removing the uncertainty associated with drying and marketing. The Nalidi Village case study highlights these benefits, with farmers reporting higher prices, more secure incomes and better retention of youth in farming.

Lami Kava's decision to reinvest in a second wash bay—three times the size of the original—is a strong proof-of-concept. The initial co-investment by PHAMA Plus helped de-risk the venture and accelerated Lami Kava's investment timeline. Encouraged by this success, the company is now financing the new facility independently, without any further PHAMA Plus support.

The expanded capacity will allow the company to source more kava from both its existing network and new communities. It will also support the scaling up of new product lines, including wild ginger and turmeric. These products benefit directly from the same hygiene and handling standards enabled by the wash bays, which have become an essential part of Lami Kava's post-harvest processing infrastructure and diversification strategy.

While Lami Kava buys directly from communities and maintains quality through clear grading and national standards, it faces ongoing challenges. Plant health issues such as kava dieback disease (KDD) and nematode infestations are increasingly affecting volumes at the farm level, limiting supply and driving price increases. Although theft is not a direct concern for Lami Kava, it remains an issue for some farmers, particularly on weekends when they return to the village and leave their plantations unattended. While farmers appreciate the simplicity and immediacy of selling green kava, including being paid immediately and requiring less working capital to manage their operations, some expectations among farmers around support (for example, infrastructure and credit access) remain difficult for the company to meet.

Hand washing of kava roots at Lami Kava is the first step in the processing of cleaning and preparing kava for exports.

"We are struggling to buy. If the price keeps increasing, then we know there is not enough supply. The price of dry kava is FJD80-105, [so] we know there's not enough. And the green price has gone to FJD12, from around FJD8 a year ago – a long-term sustainable price would be around FJD8-10, which [for us] would be nice. Not only has the price gone up for us, but the export price has gone up," Edward Hoerder, Lami Kava

The company continues to explore forward-looking opportunities, including work with the Ministry of Agriculture to pilot single-cultivar sourcing from the village behind its factory – a move driven by rising demand from premium and extract markets, particularly in the US, which now has approximately 400 kava bars. With new kava bars emerging across the US and a growing appetite for value-added products like instant kava and extracts, Lami Kava is positioning itself as a responsive and trusted supplier – grounded in community relationships, strengthened by PHAMA Plus support, and ready to scale.

Green Gold: Exports and the Challenge of Supply in Fiji's Kava Industry

Green Gold, a processor and exporter based in Savusavu, has emerged as a rising player in Fiji's kava sector. Operating a central collection point in one of the country's most productive regions—where nearly 70% of Fiji's kava is grown—the company sources from 200–300 local farmers on a rotating weekly basis. Through consistent investment in processing and branding, Green Gold has steadily grown its market presence across the Pacific and into Asia.

Green Gold Kava - Praveen Narayan's family has been in the kava industry for 40 years. ABC, 4 August 2023

With support from PHAMA Plus, Green Gold has identified and accessed emerging export markets, including China and India. The company recently participated in 10 trade shows across Australia to expand its retail market opportunities, and was previously supported by PHAMA Plus for a China trade show and study tour. Its active engagement in export market promotion has opened new commercial pathways, particularly in the areas of extracts and beverages. While they currently export around 20 tonnes of kava powder per annum, the company is now piloting bottled kava beverages for export to India, supported by shelf-life research undertaken in the United States. Despite these innovations, Green Gold expansion plans are constrained by the tightening supply of quality kava in Fiji. As one exporter explained, "We have plenty of demand and could sell all the supply we have—to the United States, Australia, and domestically—but the supply is the challenge."

Rising domestic prices—reaching up to FJD100/kg for dry kava and FJD17/kg for green —have made it difficult for Green Gold's field agents to reliably secure supply. Volatility in the market means its processing facilities are only operating at around 50% capacity, and it is limiting supplies to their clients as a result. "We're not willing to take the risk of signing large contracts with prices being so high and unpredictable. It's a big risk for our margins and for our ability to supply," he added.

Green Gold actively shares the Fiji Kava Quality Manual with its farmers, though the company notes that uptake is limited—many focus only on the pictures rather than the full guidance. "We always have a 5–10 minute sit-down with the farmers—talk about what's happening with the family, and then ask them questions about the farm, such as whether KDD is present or what varieties they're planting," said Praveen.

The company also participates in the national Kava Steering Committee, contributing to industry-wide discussions on regulation, standards and market development. However, progress has been slow, with the Kava Bill drafted in 2016 yet to be finalised. Private sector perceptions are that industry is often relied on to do most of the heavy lifting when it comes to coordination and improvements.

There is strong evidence that Green Gold has benefited from PHAMA Plus's support around export promotion and the quality manual; however, the new challenges of increasing prices and lower kava availability are constraining opportunities.

6 Enhancing kava production on the farm

There is strong evidence that PHAMA Plus has made a moderate contribution to increasing the volume and consistency of high-quality kava supply in Fiji through its support for government extension functions, industry support and outreach interventions. This has become increasingly important as global demand continues to grow and supply pressures mount. Supporting disease-free planting material and enhanced agronomic practices has been central to the program's effort.

One of the most significant contributions to the sector has been the development and dissemination of the Fiji Kava Quality Manual (2017) and the Fiji Kava Standard (2017). These were developed based on research and science collaboratively by PHAMA, SPC, University of the South Pacific, DT Global (previously AECOM) and Kalang, and were funded by the Australian and New Zealand governments.

"Through the development of the kava manual and standards document, the Ministry, in collaboration with the PHAMA program, conducted a series of kava farmers training at the province level...[This has] supported farmers in knowing and identifying the varieties of kava they grow," Ministry of Agriculture and Waterways, email response to questionnaire.

The Kava Quality Manual, in particular, has been used by agricultural extension officers and farmers to promote higher quality production—from propagation to pounding. It provides simple yet effective advice that is easily transferable across the kava industry. These resources document Fiji's 13 noble varieties, building confidence among importers and reinforcing Fiji's premium market reputation. Together, they have laid the foundations for improved production practices and market access. Although nearly a decade old, they are still regularly referenced by industry, even as uptake and application across the sector remain uneven.

"Once the manual was developed, there was a need to do a large number of training sessions on the extension of what is included in the manual. PHAMA funded and helped with the training for farmers," Timoci Bogidua, Economics, Planning and Statistics Division of the Ministry of Agriculture and Waterways.

Source: Fiji Kava Quality Manual, 2017

Extension efforts are now targeting integrated pest management for improved plant health and related productivity gains. To address this, PHAMA Plus supported diagnostic field surveys with the Ministry of Agriculture and Waterways (MoAW), awareness and training among farmers and extension officers, and has prepared a dedicated Kava Plant Health Guide and related social media products for dissemination (see Section 7).

However, more needs to be done. A planned and scaled approach is needed to strengthen extension services through both public and private sector avenues, incentivise greater production, manage pests and ensure strong supply of required inputs such as clean planting materials and fertilisers. PHAMA Plus's earlier support for Tutu Rural Training Centre has established a strong foundation through which to extend nursery systems and production capacity, and encourage the next generation of kava farmers.

Tutu Farm – growing the next generation of farmers in Fiji

Miriama Tikoibaravi, a community development trainer at Tutu Rural Training Centre, has launched Family Farm Teams training with kava-farming families, empowering households to work together, boost productivity and promote gender equity in Fiji's Northern Division

Nestled on the lush island of Taveuni, Tutu Farm is as beautiful as it is purposeful; its landscape of native trees, orderly farming plots and open skies reflecting decades of care and commitment. Established in the 1960s by Australian and New Zealand Catholic priests, the farm has evolved into a thriving social enterprise that combines training, community development and sustainable agriculture. It also offers immediate opportunities to help service Fiji's growing agricultural extension needs.

Operating under two arms, Oceania Farm and the Tutu Training Centre, Tutu Farm is both a production hub and a place of learning. Oceania Farm employs 12 staff and produces a variety of vegetables, fruits and crops. In 2023, it sold approximately FJD8,000 worth of taro to Road King Farms, a PHAMA Plus–supported local exporter. These earnings contribute to the operational sustainability of Tutu Farm.
At the heart of Tutu's work is its three-year residential training program for young men aged 18 to 23, led by Suli, an experienced agriculturalist with 18 years in the Ministry of Agriculture and Waterways and more than a decade of hands-on farming experience. Together with seven technical trainers, he guides 57 students, all of whom left school early and are seeking alternative learning pathways, through a blend of classroom learning and practical farmwork that builds both skill and character.

Tutu also runs six-month programs for about 20 women and families, focusing on agriculture, floriculture and handicrafts. This inclusive approach ensures the benefits of training extend beyond individual participants to strengthen entire households and communities. Many Tutu alumni are now farmers and business owners across the province, passing on their knowledge to other farming families.

In early 2025, Tutu participated in PHAMA Plus's Family Farm Teams (FFT) pilot in Taveuni, an initiative designed to help semi-subsistence farming families strengthen teamwork, and plan for shared prosperity. Representatives of Tutu took part in the Train the Trainer sessions, covering goal setting, farming plans, joint decision-making and income diversification. Since then, Tutu has been converting the FFT program into its own format and will offer it as part of learning activities at the Training Centre.

PHAMA Plus has previously partnered with Tutu to establish a commercial-scale kava nursery, to help build the supply of planting material. Propagation now continues through the trainee program. Each trainee plants 1,000 kava seedlings in their home village and another 1,000 at Tutu, which are harvested at graduation. Everything grown is a down payment on their future: all proceeds are held by Tutu Farm and returned at graduation, providing capital for each trainee to start their own farm and livelihood.

In 2025, PHAMA Plus also included Tutu Farm in its national kava plant health survey and provided hands-on training from plant health expert Dr Zhao to help staff identify, manage and mitigate the spread of KDD and other threats. This practical support helped safeguard both the students' livelihoods and the farm's future planting cycles.

Tutu holds strong potential to help address Fiji's emerging kava supply issues, through nursery expansion, farming extension services and direct production. Leveraging innovative partnerships such as what Tutu offers will be critical to finding solutions to supply-side constraints.

7 Addressing kava plant health

While green kava markets in Fiji are growing, fuelled by strong domestic and export demand, the sector faces an emerging risk that threatens the long-term sustainability of its supply base. Kava dieback disease (KDD) and nematode infestations are increasingly recognised by buyers and farmers alike as major contributors to declining productivity.

Exporters, such as Lami Kava, have observed that rising kava prices are being driven, in part, by a tightening supply caused by plant health issues. This is prompting some farmers to shift away from kava towards alternative crops such as taro. The scale of the issue is difficult to quantify due to gaps in diagnostic capacity and overlapping symptoms, but its effects are becoming harder to ignore.

Tools such as the Market Development Facility (MDF)-supported plant health heatmap have sought to map disease prevalence based on farmer reports. However, when contrasted with scientific research, it is evident that often the occurrence of KDD is overreported. Part of the challenge is identifying the right plant health issue; many farmers report general signs of stress or decline but cannot distinguish between different causes. Misdiagnosis of KDD remains an issue, with some farmers prematurely removing plants that do not have the disease. The next phase of support will be to focus on extension, containment and ideally eradication at the farm level.

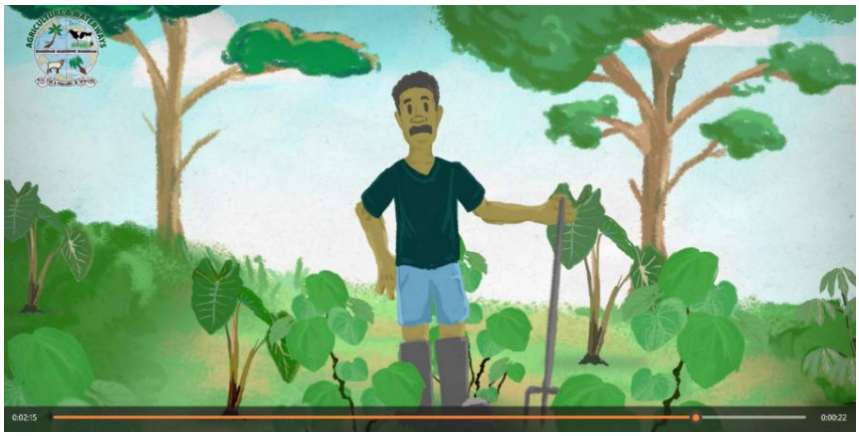
There is now strong consensus among stakeholders on the need to strengthen farmer-level plant health support, including:

- clearer guidance on identification and early detection of KDD and nematode symptoms
- farmer training on containment and sanitation practices
- national coordination of plant health monitoring, especially in high-value growing regions
- formal mechanisms to link symptomatic farms with extension, diagnostics and treatment support.

PHAMA Plus has played a central role in strengthening Fiji's response to emerging plant health threats in the kava sector, particularly KDD. This included sponsoring a multi-agency survey and training program in Vanua Levu in March 2025, in collaboration with MoAW, BAF, the Fiji National University (FNU), The Pacific Community (SPC), the Australian Department of Agriculture, Fisheries and Forestry (DAFF) and Landcare Research New Zealand. A key contribution was the deployment of Dr Zeng Zhao, a regional nematologist, to lead field research and deliver nematode identification training, alongside ongoing support from specialist KDD expertise from DAFF. The surveys confirmed presence of the cucumber mosaic virus (CMV)—a key pathogen implicated in KDD—on 18% of surveyed farms in Vanua Levu. Laboratory analysis also identified 10 species of plant-parasitic nematodes. While these nematodes were not found to directly cause KDD, the report notes that *"they may play a secondary role in accelerating its progression."* They will also affect productivity in their own right.

As part of the 2025 surveys, 219 farmers participated in immediate targeted awareness sessions across Bua, Cakaudrove (Taveuni and Savusavu), and Macuata. Participants received training on disease symptoms, transmission risks, and appropriate plant health management techniques. However, the detection of CMV, nematodes and other plant health risks also paved the way for more awareness training for extension officers, farmers, stakeholders and the public at large.

Using the learnings from the field studies and outreach work, PHAMA Plus led a collaborative process to develop a dedicated Kava Plant Health Guide and related social media tools to help disseminate key information. The guide drew upon expertise from MoAW, DAFF, MPI, SPC, FNU and MDF and has been made available in English, Fiji Hindi and iTaukei. The package of materials was launched with MoAW in November 2025. The combination of technical fieldwork, laboratory research, and extension support underscores PHAMA Plus's integrated and adaptive approach to biosecurity and sector resilience.



The Kava Plant Health Technical Guide and animated video

Bridging the knowledge gap with Taveuni extension services

The Ministry of Agriculture and Waterways' Taveuni extension team, led by officers like Adi Vika Tiverita and Melila, plays a critical role in supporting Fiji's kava farmers. With only four technical extension officers serving the island, they support a substantial farming population—4,079 registered farmers, of whom 1,975 are active in kava cultivation.

Farmers of Vuna in Taveuni attend a kava disease awareness training jointly facilitated by MoAW, BAF and PHAMA Plus

Despite the increasing number of farmers involved with kava, the extension officers have limited formal training in kava agronomy. They generally rely on MoAW's general crop guides and peer consultation for technical support. Although they participate in regular trainings—such as recent soil training by the Land Use Division—there's a clear desire for more commodity-specific capacity building in kava extension. Demand for information is typically reactive; farmers tend to seek advice only when problems arise. As part of their outreach, the extension officers have promoted risk-mitigation strategies like crop rotation, fallow periods, and substituting taro in areas of repeated kava failure.

Plant health issues, often simply referred to as "KDD" or "yellowing leaves", have been a persistent concern on Taveuni for over 15 years, with farmers receiving little actionable guidance. Three MoAW extension officers joined the plant health survey and received in-field training on diagnosis and identification. These officers have since provided direct support to farmers, promoting integrated approaches to plant health. While community perceptions initially pointed to widespread KDD, the survey revealed that most issues stemmed from nematodes, waterlogging, and insect pressure, rather than KDD itself. This more accurate diagnosis has helped correct misinformation and guide farmer responses. One proactive farmer in Oriya Estate has gone further, adopting strict hygiene practices and separating planting material to minimise contamination.

Access to information remains limited among farmers due to language barriers and digital literacy. Officers emphasised the importance of translating scientific knowledge into practical training tools with visual aids and hands-on sessions.

8 Community development and socio-economic impacts

The kava industry in Fiji has become a powerful driver of rural transformation, with strong evidence of positive socio-economic impacts at the household and community level. There is evidence that the support from PHAMA and PHAMA Plus has contributed to the sector's growth, which has indirectly and purposefully improved the lives of thousands of farmers and their households and communities. Recent survey data reinforces this impact, with more than 94% of farmers reporting that the green kava business has led to an increase in income for their households and communities. This expansion signals that PHAMA Plus's support for green kava processing is not only increasing production but also stimulating wider economic activity in rural Fiji.

As incomes from kava production have grown, farming households are increasingly investing in social assets and quality-of-life improvements such as permanent concrete homes, vehicle ownership, school attendance and access to higher education. These lifestyle shifts are accompanied by a growing sense of agency and aspiration, particularly among younger farmers. Survey findings show that over 70% of farming households have used income from green kava sales to improve housing, healthcare and education, while around two-thirds have been able to save or reinvest in their farms. These results confirm that green kava earnings are directly strengthening household wellbeing and long-term security.

At the farm level, the economic impact is reflected in improved agricultural practices, more productive use of farm labour and enhanced resilience through diversified income sources. Nearly 60% of respondents strongly agreed that the green kava business has created new employment opportunities in harvesting, washing, processing, transport and packaging. This ripple effect is increasing rural employment and reinforcing inclusive economic growth along the value chain. There is also anecdotal evidence of increased female participation in kava-related decision-making and farm activities, though more data is needed to assess the extent and nature of these gender dynamics. The migration of working-age individuals and the rising costs of on-farm employment are also emerging constraints that require deeper analysis.

Green kava is emerging as a potentially important innovation in this context. By removing the need for drying—a labour- and time-intensive process—green kava allows farming households to reduce reliance on limited labour and sell produce faster. This not only increases their financial liquidity but also enables households to reallocate time and resources to other productive or social activities. In the survey, around 65% of farmers agreed that household food security had improved because the labour saved from drying could be redirected to food crop cultivation. This points to wider livelihood benefits, including better nutrition and resilience against market shocks. As seen in the Lami Kava supply network, such shifts are having catalytic effects on rural economies.

Nalidi Village, Ra Province, provides a good example of how investing in green kava is also an investment in a more resilient future for youth. Nalidi is a small highland village in Ra Province, located in the northeastern corner of Viti Levu, Fiji. Home to around 200 people and 30 to 40 farming households, Nalidi has a long history of cultivating high-quality kava. In 2016, Tropical Cyclone Winston tore through their plantations, forcing the community to rethink how they farmed. The villagers turned to green kava, an undried form of kava that requires less labour and is less vulnerable to changing weather patterns. While initial returns were modest, it marked a pivotal shift in approach.

By 2021, Nalidi had embraced a more purposeful, community-led model for green kava. They collectively invested in replanting their fields with improved kava varieties, focused on teaching youth how to farm and restored the knowledge-sharing tradition between elders and young people. Their plantations, located roughly 8 km from town, were managed by growers spending the entire week in makeshift shelters in the hills, returning for Church on Saturdays. This commitment paid off: within three years, Nalidi's kava plantation was producing yields comparable to those of neighbouring farms twice its age, thanks to strong agronomic practices and community cooperation.

In January 2024, Nalidi harvested the first kava from its new plantation, marking not just a milestone in production but a pivotal moment in market transformation. Their success, shared via social media, caught the attention of Lami Kava—a reputable buyer. Lami Kava's entry into the village had a catalytic effect. By offering FJD7/kg—well above the previous FJD4/kg from middlemen—and committing to purchase their available 3 to 4 tonnes per week, they introduced both price certainty and a reliable, high-volume market. This gave the community the confidence to continue investing in their plantations. The partnership was quickly built on trust and predictability, fundamentally shifting Nalidi's green kava from a side income into a cornerstone of the local economy.

The impact was immediate. Other middlemen were forced to raise their prices to match Lami Kava's and accept lower-quality plant material like stalks and leaves to remain competitive. While around 25% of the village's harvest is now sold to these buyers, the majority remains committed to Lami Kava. By mid-2025, green kava prices had risen to FJD10–12/kg as competition for Nalidi's premium product intensified. With village income now surpassing FJD30,000 per week, farming households increasingly reinvested in their community. New houses have begun to appear for the young farmers planning their family futures —built with timber and concrete, replacing cyclone-prone corrugated iron dwellings. Washing machines, TVs, and improved food security have become visible markers of change. As one elder woman shared, "Before, we struggled to put food on the table. Now our plates are filled with lots of colours." Nalidi's experience mirrors broader trends captured in recent surveys, where most green kava growers reported using earnings for their children's education, healthcare and improved housing. These findings suggest that the gains seen in Nalidi are being mirrored across other farming communities embracing the green kava model.

Crucially, the economic success has slowed the outmigration of youth. While other villages have lost young men to urban centres or overseas under the skills-migration programs, Nalidi's young farmers are staying. They've received mentorship from elders, housing support from neighbours, and the means to build livelihoods close to home. However, challenges remain. The road to the plantation is in poor condition, limiting access and efficiency. The community has thus far avoided disease outbreaks such as KDD or nematodes, and while the villagers express confidence in managing any outbreak, there are some concerns. However, their biggest fear is a broader market collapse, driven by unsustainably high prices—a pattern seen in previous kava booms. They are aware that today's windfall may bring tomorrow's risk.

Nalidi's journey is one of community-led resilience, market savvy and generational renewal. Expanding the capacity of high-quality processors can lead to improvements in the villages that grow their products, and can transform smallholder agriculture into a thriving village economy. Notably, almost 60% of farmers reported sharing knowledge about green kava markets with peers, demonstrating how innovation is spreading across communities and signalling early signs of systemic change. There is strong evidence that supporting Lami Kava and other processors to demonstrate the proof of concept for green kava, as well as expanding processing capacity, has led to accelerated and increased socio-economic outcomes for farming communities, as well as stronger export performance.

Evueli Toia, a former national long-distance runner who competed in the Serbia Belgrade World Cross Country Championships, has traded his spikes for a spade—and has no plans to leave his village in Nalidi. After realising athletics would not provide the income he hoped for, Toia returned home to farm kava.

"I realised that if I wanted to earn a good income for my family, I needed to return to the village and utilise my land for kava farming," he said.

Alongside a group of young men, Toia committed to three years of discipline—giving up kava, alcohol and smoking—to focus on spiritual growth and strengthening their plantations. Now, thanks to regular buyers such as Lami Kava visiting their remote village, the men are earning a steady income without needing to migrate. Toia now sells his kava to Lami Kava enabling him to contribute to finance village and church activities, and to plan for his sister's wedding—confident in the value of his land.

"My kava plantation is my bank."

Building dreams through kava roots

Adre Canakaicina, 25, once saw owning a home as an impossible dream. After dropping out of school, he returned to Nalidi Village in Fiji's Ra Province with an uncertain future. But kava farming changed everything.

Lami Kava began buying green kava from his village for FJD7/kg (AUD4.80/kg), providing a steady market and transforming Canakaicina's future. Guided by elders, he and other young kava farmers formed a group, committing to three years of disciplined kava production – no drinking, no smoking, just focus. Their goal: to build a house before getting married.

Lami Kava was able to provide market confidence to farmers like Canakaicina due to its accelerated business growth. This has given them the confidence to plan long-term, and plant more kava to meet Lami Kava's insatiable appetite.

With their increased income, in 2024 Canakaicina completed his FJD21,000 (AUD14,350) home with his wife, Lite Marama.

"Owning our house and living on our terms is incredible. We rule our own lives and come and go as we please. This is freedom."

Canakaicina stated that with their income from kava, his wife Lite can finally complete her studies in teaching.

"I'm also planning to start my own kava business one day. We will need to have this to help pay for our children's education in the future. So many plans and dreams to achieve, and we know with kava, many things are possible!"

Other young men in the village are also building new homes through kava farming.

Adre Canakaicina and his wife Lite in front of their new home

9 Lessons and recommendations

This performance story highlights that PHAMA and PHAMA Plus have made significant contributions to Fiji's broader kava sector. Notably, the different areas of support work together to create systemic and sustainable change in the industry.

- **Building a robust enabling environment** through policy and standards – Setting clear quality standards has made it easier for Fijian kava to enter international markets by ensuring the product is safe, consistent and meets buyer expectations. It has laid the foundation for the ongoing development of policy and regulatory frameworks.
- **Enabling market access and product development** through de-risking scaled innovations with private sector partners – Expansion and diversification of processing practices and product offerings have had a direct impact on growing export opportunities with benefits flowing to farming households across Fiji.
- **Stimulating high-quality production** through support for strengthened extension services – By tackling disease and plant health issues, farmers can maintain healthy crops and reliable supply—reducing the risk of major losses and protecting both incomes and the environment. Workshops, farmer training and extension services have helped spread new techniques and information, so more people across the sector can benefit.

As a result of these interconnected efforts, Fiji's kava sector is now producing higher-quality products, reaching more export markets and supporting farmers to grow and adapt.

There is substantial evidence to recognise the ongoing relevance of supporting the Fiji kava sector, particularly in terms of potential for maintaining the existing industry and expanding the benefits to communities. The following lessons and recommendations are offered to support any future investment designs:

1. Safeguarding plant health is essential for sustaining supply
As Fiji's kava industry expands, supply constraints are starting to bite. Plant health threats—particularly KDD and nematodes—pose a serious risk to production. PHAMA Plus's investment in research, diagnostics and extension materials is foundational, but must be continued and embedded. A national approach to kava plant health management, including improved farmer awareness and response systems, is needed alongside broader support to stimulate productivity.

2. Extension systems must be strengthened to translate innovation into practice and address supply constraints
Supply constraints continue to affect exporter operations and growth potential. Ongoing support through private sector and MoAW extension networks to increase productivity (including pest and disease management; sustainable and climate resilient agricultural practices) is needed. Adoption of improved agronomic and post-harvest practices relies on well-trained extension officers across both the public and private sectors. Future efforts should focus on building the shared efforts and capacity of front-line officers, expanding farmer training and embedding practical tools like manuals, visuals and Training of Trainers programs into government and private sector-led delivery systems.

3. Green kava innovation should be scaled and shared
Green kava processing has demonstrated clear benefits: reduced post-harvest labour and risk for farmers, improved quality control for processors and new product opportunities such as beverages. The Lami Kava model offers proof of concept and PHAMA Plus has quantified the economic benefits along the supply chain to support the business case for scaling. However, broader diffusion will require sector coordination, technical guidance, market linkage support, and further private sector investment. This innovation should be actively promoted through the Kava Steering Committee and other industry engagement platforms.

4. Stronger coordination through industry and government leadership is vital
The absence of a formalised industry body has limited coordination and uptake of technical reforms. While Government leads the Kava Steering Committee, the strength and regularity of this platform is not currently keeping pace with market needs or stakeholder expectations. Establishment of a formal industry representative body and stronger commitment from government to drive collaboration will be important moving forward. It is critical that there remains a strong forum to align exporters, government, and farmer groups around standards, research, market development, and policy reform.

5. Continued engagement on regulatory reform will protect and support industry growth
The absence of a centrally led legislative, regulatory and policy framework for Fiji kava currently exposes the industry to risk. Finalising the Fiji Kava Policy and the Fiji Kava Bill are critical next steps. Ideally, a legislative approach will establish a remit for relevant agencies (e.g. BAF) to conduct a regulatory role around certification of kava product against quality standards prior to export, therein protecting product integrity, reputation and market access. Related to this, greater competition in laboratory testing is needed to improve wait times and pricing for key export services. Opportunities for continuous improvements in compliance, standards development and policy will be critical to enable diversification, long-term competitiveness and access to new market opportunities.

6. Gender analysis should inform next steps
The last comprehensive value chain analysis, including gender analysis dates back to 2016. Future efforts should be grounded in updated analysis including a dedicated focus to better understand the roles, constraints and opportunities for more inclusive practices in the current context. Such analysis needs to consider both green and dried kava value chains, the role of women along the value chain from farm production through to processing and export, and the impacts of external factors such as labour mobility schemes. While improved gender equality in the kava sector remains a priority, the analysis should take a broad lens in understanding other inclusion opportunities, such as for youth and people with disabilities.

Annex 1: Evidence Matrix

Key Question	Key Finding	Evidence
Context • What is the relevance of the sector-wide and systemic-change strategies, considering economic, social and environmental contexts?	**#1 Agricultural Export**: Kava has overtaken sugar as Fiji's top agricultural export, with export earnings growing from under FJD4 million in 2008 to over FJD43 million in 2022. **Broad Economic Impact**: The total kava economy is now valued at over FJD150 million, supporting more than 18,000 households through farming, processing, and trade. **Rising Global Demand**: Export growth has been driven by strong demand in the US (home to ~400 kava bars), as well as formalised access in Australia and New Zealand. **Market Formalisation**: Australia's Kava Pilot Program enabled legal commercial imports, with Fijian kava now available in major retailers like **Coles and Woolworths**. **Strategic Support**: Government and PHAMA Plus contributions—such as the Kava Standards Manual and export support—have underpinned growth and sector credibility.	• PHAMA Plus facilitated the development of the Fiji Kava Standard and the Kava Manual. • Supported strategic planning workshops with the Ministry of Agriculture. • Fiji Bureau of Statistics (2023): Agriculture's share of GDP rose from 8% in 2011 to 11% in 2023, supported in part by kava sector expansion. • More than 18,000 households now involved in kava; kava trade is a major rural employer. • Export value grew from FJD4 million in 2008 to FJD53.5 million in 2024; job creation expanded with private investment. • Fiji Kava Value Chain Analysis (2022): Systemic change linked to the establishment of formal kava standards and improved extension services. • Interview, Taveuni: 'We used to just grow kava how we learned from our parents—now we know how to keep it healthy and increase our yields.' • Kava has been called 'the rural ATM' by farmers in Ra and Kadavu—income is now more reliable and reinvested into education and housing.
Enabling environment: Export market facilitation • To what extent has PHAMA Plus contributed to informal and formal export market access for Fijian kava? • Demonstrate significant instances in which PHAMA Plus through its	**Facilitated Formal Export Market Access**: PHAMA Plus played a pivotal role in enabling Fijian kava exports to Australia through the Commercial Kava Pilot Program. By providing technical support and stakeholder coordination, PHAMA Plus helped transition kava from informal gifting to formal retail sales, including availability in major retailers like Coles and Woolworths. **Enhanced Quality Assurance and Certification Systems**: The program supported the development and dissemination of the Fiji Kava Standard, establishing quality benchmarks for kava	Facilitated Formal Export Market Access: Australia's Kava Pilot Systemic Change Assessment A number of entirely new exporters emerged across the three countries of study to take advantage of the market opening. Of the three new exporters interviewed for this study, all were established specifically to take advantage of the new market pathway to Australia. Interviews with Pacific ministries of trade and agriculture suggested that most enterprises that were newly established during the Pilot period did so to export to Australia. It was reported, however, that many of these exporters (especially from Fiji) took a short-term opportunistic approach and have dropped off as the Australian market became saturated. Three exporters interviewed for this study described the market opening as 'life saving.' One was entirely reliant on the US market and whose buyer fell through in 2022. The Pilot provided him an opportunity to find a new market for his existing product. Another was a family business working in

Key Question	Key Finding	Evidence
partnership approach contributed to improving the enabling environment, particularly in terms of policy, research and industry leadership?	products intended for human consumption. This standard aids farmers, processors, and exporters in producing consistent, high-quality kava, thereby facilitating access to international markets. **Supported Strategic Research and Policy Development**: PHAMA Plus collaborated with FNU and the Ministry of Agriculture to conduct research on kavalactone content across different kava varieties. The findings inform policy decisions and contribute to the development of a National Kava Policy aimed at improving product quality and market positioning. **Strengthened Industry Coordination and Leadership**: Through support for the Yaqona Taskforce and the establishment of the Fiji Market Access Working Group, PHAMA Plus facilitated industry-wide coordination. These platforms enable effective dialogue between government and industry stakeholders, fostering a cohesive approach to kava sector development. **Invested in Infrastructure and Capacity Building**: PHAMA Plus co-invested in processing infrastructure, such as wash bays, to improve post-harvest handling and sanitation standards. These investments not only enhance product quality but also expand processing capacity, allowing for increased procurement from kava-producing communities.	the tourism sector which lost nearly their entire clientele during the pandemic. The Pilot provided the family an opportunity to pivot to kava exports to Australia, which for them was an entirely new business activity. Australia's Kava Pilot was well-timed to provide Pacific Island economies with a new source of income during a period in which their tourism industries were severely affected by COVID-19. PHAMA Plus provided technical support for exporters during Australia's Kava Import Pilot. This included assisting processors achieve HACCP certification and export documentation compliance. PHAMA Plus coordinated regulatory discussions with BAF and Australian border authorities. "The Market Access Working Group had helped in the initiation of the opening of the Kava export market to Australia and I believe it has helped the agriculture sector in other areas as well.", Timoci Bogidua, Economics Planning and Statistics Division, Ministry of Agriculture. Australia became Fiji's third-largest export market by volume by 2022, per MoAW Trade Report (2024). Kava Exporter interview: 'We wouldn't have been ready for the Australia market without help understanding the import requirements.' Coles, Chemist Warehouse, and Costco began retailing Fijian processed kava products after exporters achieved HACCP and packaging improvements. Cumulative volumes imported into Australia under the Kava Pilot Program from commencement to Q3 2025 were just under 585,000 kg; with 246,438 kg coming from Fiji (data published by PTI Australia). Enhanced policy, research and industry leadership - Contributed to drafting the Kava Bill and consulted widely with industry actors. • Convened Market Access Working Group to inform trade policies. • Supporting Evidence: • National Kava Taskforce established in 2021 to provide sector-wide guidance; supported by PHAMA Plus. • Fiji National Kava Standard published in 2017; widely adopted across exporters. • Draft Kava Bill progressed in partnership with Ministry of Agriculture and private sector.

Key Question	Key Finding	Evidence
		• PHAMA Plus co-hosted 8 policy roundtables with industry stakeholders between 2019 and 2023. • 'We had no blueprint before. Now, even small exporters can meet international standards,' – Exporter in Suva. Invested in Infrastructure and Capacity Building: Kava partners invested AUD245 thousand in Phase 1 and AUD1.32 million in Phase 2, mainly for infrastructure upgrades, plant health development, and food safety standards. DevLearn Report (2023): PHAMA Plus supported 12 exporters to gain compliance for the Australia Kava Pilot; FJD4.5 million in export value recorded. FJD2.7 million in private investment mobilised in post-harvest processing upgrades (PHAMA Plus Monitoring, Evaluation and Learning reports).
Production: Quality and biosecurity • To what extent has PHAMA Plus contributed to industry and on-farm practices to improve biosecurity and quality management, specifically focused on disease identification, preparedness and prevention? • To what extent has PHAMA Plus contributed to improving on-farm practices and	Shift to green kava – leading to less risk for farmers and improved outcomes. Started with PHAMA but is now becoming a systemic change. • Piloted green kava models with processors like Lami Kava to increase traceability and quality. • Improved value capture by reducing drying and contamination issues. • Enabled investments in post-harvest infrastructure and packaging innovation. • Fostered product development for beverages, instant powders, and other new formats. KDD and Nematodes – Lack of understanding, identification and containment. Lami Kava noted that the price increase is due to a lack of supply, substantially exacerbated by KDD and nematodes.	Green Kava • Co-invested with processors in post-harvest infrastructure (wash bays, drying sheds). • Delivered labelling reviews and packaging improvement support. • Piloted green kava procurement models with selected processors. • Lami Kava upgraded its wash bay and traceability systems with PHAMA Plus co-investment; now HACCP-certified. • Processors buying green kava earlier in the chain, improving quality and reducing post-harvest losses. • 'We buy green kava now—it's cleaner, and we control the hygiene,' – Lami Kava staff member. • Over 8 processors received support in packaging, labelling, and value-adding pilots (PHAMA Plus packaging reviews). • Value-added products like instant kava powder and kava beverages now launched domestically and in export markets. KDD and Nematodes • Commissioned and co-led Kava dieback disease Survey in Northern Division. • Engaged a regional nematologist (Dr Zhang) to support MoAW diagnosis of root diseases. • Supported development of a Kava Plant Health Manual and diagnostic protocols. • KDD Survey (2024): 219 farmers trained; nematodes, insect damage, and waterlogging identified as primary causes of plant decline.

Key Question	Key Finding	Evidence
expanded production of Fijian kava?	KDD and nematodes impact in plantations is leading to reduced productivity as well as to farmers looking to plant alternative crops like Taro. PP has been working with MoAW and BAF on improving the understanding of KDD and nematode issues. MDF heatmap showing KDD, but it's incomplete, has some challenges with the sampling, and often overlaps KDD and nematodes because of the farmers lack of awareness of what the root cause of the issue is – it perhaps is a better reflection of plant health. MoAW surveys of farmers identified in Vanua Levu that 18% of farmers are impacted by plant health issues. However, no follow up with those farmers on how to contain or eradicate it in their plantation. A need for improving advice to farmers on how to identify, prevent, and contain plant health issues such as KDD and nematodes.	• Three MoAW officers from the North trained alongside researchers; now leading local extension responses (KDD Report 2024). • Development of Fiji Kava Plant Health Manual supported by PHAMA Plus; national rollout planned 2025. • 'We thought yellowing leaves was KDD, but it was water problems. Now we know how to fix it,' – Farmer, Taveuni. • Integrated hygiene and disease-prevention protocols now being promoted in Cakaudrove, Kadavu and Bua. On Farm Productivity • PHAMA Plus invested in nursery upgrades and supplied planting material. • Partnered with Tutu Rural Training Centre (TRTC) and FFT to improve gender-inclusive on-farm practices. • Built extension capacity via MoAW and community-based trainers. • Expanded FFT to Northern Division for integrated family farming systems. • TRTC trains 57 youth per year in kava-focused production courses; more than 80% start farms within one year of graduation. • Access to nursery material improved; 30,000+ seedlings distributed by nurseries with PHAMA Plus support since 2021. • Interview with TRTC trainer: 'We see young people staying back, not migrating, because they see kava as viable now.' • Improved land prep, weeding, and spacing practices shared through FFT and market actor training. • FFT programs have expanded from Taveuni to Ra, Kadavu and Naitasiri; supported over 1,000 family farms (PHAMA Plus Gender Report). • A large proportion of farmers (70.58%) reported recently expanding their land for kava cultivation, reflecting the growing commercial appeal of the green kava market. (Lami Kava Impact Assessment 2025) • Production of green kava increased by 29% (from 1,741 kg to 2,260 kg), indicating a notable improvement in productivity—an increase of approximately 276 kilograms per acre between 2024 and 2025. (Lami Kava Impact Assessment 2025)

Key Question	Key Finding	Evidence
Processing: Diversification and value adding • To what extent has PHAMA Plus contributed to improving the processing and value adding of Fijian kava? • To what extent have producers, processors and other supply-side actors increased resilience and improved performances?	Green kava innovation and processing upgrades (e.g. HACCP) enabled premium product formats and improved traceability. • Piloted green kava models with processors like Lami Kava to increase traceability and quality. • Improved value capture by reducing drying and contamination issues. • Enabled investments in post-harvest infrastructure and packaging innovation. • Fostered product development for beverages, instant powders, and other new formats. Processors reported higher throughput and lower costs; producers benefited from consistent pricing and reduced theft. • Resilience increased through regular buyer engagement and stable pricing arrangements. • Processors have better QA systems and respond more quickly to export opportunity windows. • Supply chain partnerships reduce risk and increase trust between farmers and aggregators. • MoAW support.	Green Kava • Co-invested with processors in post-harvest infrastructure (wash bays, drying sheds). • Delivered labelling reviews and packaging improvement support. • Piloted green kava procurement models with selected processors. • Lami Kava upgraded its wash bay and traceability systems with PHAMA Plus co-investment; now HACCP-certified. • Processors buying green kava earlier in the chain, improving quality and reducing post-harvest losses. • 'We buy green kava now—it's cleaner, and we control the hygiene,' – Lami Kava staff member. • Following the upgrade since 2022, Lami Kava's exports have increased by 63%. • The new product – dehydrated instant kava – also contributed to Lami Kava exports, which were 0% in 2023. Since the production of this new product started, 900 kg of dehydrated instant kava has been exported. • Over 8 processors received support in packaging, labelling, and value-adding pilots (PHAMA Plus packaging reviews). Green kava sales impact, Lami Kava and grower related: Farmer Survey: (Lami Kava Impact Assessment 2025) • 94.12% of farmers expressed a preference for selling green kava rather than dry kava. The main reasons for this preference were faster sales (94%), reduced time and effort required (82%), lower risk of spoilage or loss (76%), lower processing and labour costs (76%), and easier transportation (41%). • 71% of the survey respondents use the saved time from dry kava production in other agricultural activities, followed by 12% using the time in business, 6% in animal husbandry, and the remaining 12% in other activities. Supply Side of Producers • Supported development of QA systems and digital traceability tools. • Provided consistent extension messaging through partnerships with aggregators. • Promoted aggregation models that provide pricing stability to farmers. • Consistent pricing offered by HACCP processors improves farmer decision-making and financial planning. • 'I just need to dig up some roots, and I have money for school fees or a van,' – Farmer, Nalidi.

Key Question	Key Finding	Evidence
		• Processing facilities now employ more than 100 full-time workers, many from rural communities. • Private sector investing in solar dryers, storage, and packaging – reducing losses and improving profitability. • Label review (2022): Label compliance improved from 32% to 85%, increasing consumer trust and reducing rejections.
Effectiveness & Impact • In what ways have communities and beneficiaries been impacted economically, socially and or environmentally? • Economic: Consider the improvements in the market, including expanded export value, increased pricing, increased job creation. • Social: Consider the local socio-economic improvements in kava-producing regions, such as social gathering, social / community assets women's economic employment, theft.	Communities saw economic uplift, gender inclusion, youth retention, and infrastructure investments due to kava income. • Kava is now a primary income source in many villages, preventing outward youth migration. • Women-led processing and household budgeting skills have grown through FFT. • Social contributions (e.g. soli) now more easily funded through kava sales. • Farmers perceive dignity and pride in the profession due to formalisation and income growth. Export value grew from FJD4 million in 2008 to FJD53.5 million in 2024; job creation expanded with private investment. • Export earnings rose more than 10-fold between 2008 and 2024. • Dried kava prices now range up to FJD80/kg due to high demand and constrained supply. • Private sector investments in facilities and logistics have multiplied since 2019. • Growth of diaspora markets has improved global Fijian kava brand recognition	Economic uplift • Enabled supply chain mapping to reduce farmer dependency on middlemen. • Facilitated dialogues with financial institutions for rural credit models. • Delivered FFT Train-the-Trainer programs to improve intra-household decision making. • Lami Kava- the average net attributable income change is FJD716 per year per household by selling green kava. The total net attributable positive income for 140 farming household reporting positive income change is FJD100,263. Additionally, 88% households also increased their net income (attributable) from other income-generating activities that utilised the time saved from drying kava. • Combining the net attributable income changes from both income streams – green kava and other income-generating activities – a green kava supplier, on average, earned an additional net income of FJD1,830 per year. At this rate, the total net attributable positive income for all 169 benefiting farmers is FJD348,002. • The Lami Kava survey indicates that the income generated from green kava sales has been effectively allocated to key household priorities. • Education: The majority (76.47% strongly agreed, and 5.8% agreed) used income for their children's education, highlighting the role of kava cultivation in improving access to schooling and human capital development. • Health: About 70.59% strongly agreed and 11.76% agreed that income was used for healthcare, indicating enhanced household capacity to manage medical needs and emergencies. • Housing: Similarly, 70.59% strongly agreed and 11.76% agreed that earnings were allocated to improving housing conditions, pointing to tangible improvement in living standards. • Savings and investment: 64.71% strongly agreed and 11.76% agreed strongly that they had been able to save or invest part of their income, reflecting a growing sense of financial security and future planning among farmers.

Key Question	Key Finding	Evidence
• Environmental: Pest management.	Environmental: Pest and disease management improved through nematode diagnostics, waterlogging control, and hygiene promotion. • Pest and disease management has advanced through research on nematodes and plant health risks. • The new Kava Plant Health Manual includes recommendations on field hygiene and varietal separation. • Training modules incorporate environmental sustainability messages through MoAW and TRTC. • Rotational planting and sanitation practices are being adopted in places like Oriya Estate. Nalidi Village (Lami Kava) Case Study Economic Impact • Green kava prices rose from $4/kg to $10–12/kg within 18 months, driven by Lami Kava's market entry and sustained competition. • Weekly income for the village reached over **$30,000**, shared across 30–40 farming households. • Reliable purchasing from Lami Kava enabled farmers to invest in higher-quality planting materials, training, and infrastructure. • Village saved **$40,000** towards road maintenance machinery, planning for further investment with private and public co-financing.	• Food Security: Around 64.71% strongly agreed and 11.76% agreed that household food security has improved, as farmers were able to devote more time to food crops cultivation due to reduced labour in kava drying. • 'We don't need to go to the cities anymore. The market comes to us,' – Ra Province farmer. • Gender inclusion strengthened: >50% of processor staff are women (Lami Kava, Bula Kava reports). - Taveuni farmers have re-invested in cyclone-resistant homes and improved water storage systems. - Community leaders report reductions in rural–urban migration among young men due to stable kava income. Export Growth - PHAMA Plus mapped kava value chains and built processor-exporter linkages. - PHAMA Plus funded market scoping studies for new product formats (e.g. beverages, instant powder). - Engaged diaspora networks for demand-side insights and promotional campaigns. - Export values grew from FJD3.9 million in 2008 to FJD53.5 million in 2024 (Fiji Trade Statistics 2024). - HACCP-certified exporters have accessed premium retailers and diaspora-led markets in Australia and US. - Private investment in value chains reached FJD2.7 million (PHAMA Plus data). - Job creation across farming, processing, logistics, and retail has expanded, with women making up a growing share. - Green kava trades at FJD12/kg; dried kava prices reached FJD80/kg in tight seasons. Environmental • Conducted field trials on resistant varieties and crop rotation methods. • KDD misdiagnosis replaced by evidence-based diagnostics: nematodes, waterlogging, and insects are major drivers. • Evidence of some farmers now applying mulching, raised beds, and drainage as pest-prevention measures. • PHAMA Plus supported early-stage trials of resistant cultivars in selected nurseries. • 'Before, we kept replanting in the same spot. Now we rotate and it grows better,' – Farmer, Taveuni.

Key Question	Key Finding	Evidence
	Social Impact • Youth retention improved significantly — young people have remained in the village, building homes and livelihoods around kava. • Village housing has been upgraded, replacing corrugated iron with wood and concrete; improved household assets (e.g. washing machines, TVs). • Strengthened intergenerational knowledge transfer, with elders mentoring youth in farming and community leadership. • Community cohesion enhanced through collective investment in the plantation and shared profits. • Stronger food security: "Before we struggled to put food on the table, now our plates are filled with lots of colours" – elder woman.	• Upcoming Kava Plant Health Manual aims to standardise pest management across provinces. Nalidi Case Study: Key informant interviews with farmers; focus group discussion with the community. Australia's Kava Pilot: Australia's commercial kava pilot program provided access to the newly opened Australian kava market for 5,500 kava growers through exporters and processors. Of these, 2,726 growers increased their income, generating a total of AUD 1.01 million in 2022/23. 65% farmers use income from sales of kava to pay school fees 25% use income to pay for basic needs 7% use to pay for other family need 2% use to finance small business. Kava sales contribute 82% to household income. DevLearn Report on Australia's Kava Pilot: **1. Export Market Impact** "Fiji's exports to Australia reached FJD4.5 million in 2022, making Australia its third largest market by volume" (p. 4). **2. Market Access Support** "PHAMA Plus played a key facilitation role… including engaging with the Australian Government on behalf of the Fiji Government and kava exporters, and providing technical support to meet regulatory requirements" (p. 12). **3. Private Sector Investment** "The Pilot catalysed over FJD2.7 million in private sector investment in processing, packaging, HACCP certification, and new product development" (p. 5). **4. Retail Penetration** "Fijian kava products are now available through mainstream Australian retail outlets including Chemist Warehouse, Coles and Costco" (p. 4).