

ANNUAL REPORT 2015

Our Vision

Creating wealth for our nation and
achieve a better Fiji for all

Our Mission

Developing a sustainable and
successful nation by stimulating
investment and exports

Our Core Values

professional, transparent,
visionary, effective, influential,
innovative, passionate and
communicative

2015 PERFORMANCE SNAPSHOT

WE REGISTERED

362

FOREIGN INVESTMENT PROJECTS

WE REGISTERED

FJ\$ 1.1 billion

IN PROPOSED INVESTMENTS
OVER 3 YEARS

WE REGISTERED

3,953

IN PROPOSED EMPLOYMENT
OVER 3 YEARS

WE IMPLEMENTED

FJ\$ 363 million

IN PROJECTS GENERATING 590
JOBS THIS YEAR

WE RECEIVED

1,802

INVESTMENT FACILITATION
ENQUIRIES

WE ASSISTED

1,665

COMPANIES THIS YEAR

WE PARTICIPATED IN

9

OUTBOUND MISSIONS AND
DELEGATIONS

WE HOSTED

15

IN-BOUND MISSIONS AND
DELEGATIONS

01 June 2016

Hon. Mr. Faiyaz Koya,
Honourable Minister for Industry, Trade and Tourism, Land and Mineral Resources,
Civic Tower,
Victoria Parade,
Suva

Dear Honorable Minister,

Re: Investment Fiji Annual Report and Statement of Accounts 2015

I submit herewith Investment Fiji's Annual Report and Statement of Accounts for the year ended 31 December 2015, as required under section 20 (1) of the Investment Fiji Act No.24 of 1986.

.....
Mr. Truman Bradley
Executive Chairman

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CHAIRMAN'S REPORT

It is with much pleasure that I present the 2015 Annual Report for Investment Fiji.

2015 was a great year for Fiji. The Reserve Bank of Fiji estimates the country grew by 4%, our sixth consecutive year of growth. Strong GDP growth translated into increased interest from foreign investors with Investment Fiji registering 362 investment projects, a 39% increase over 2014. These projects are expected to bring \$1.11 billion into Fiji, a 121.7% increase over last year. This will lead to the creation of 3,953 jobs, when the projects are fully implemented.

The results reflect the continued confidence and commitment of global companies in Fiji, and are testimony to our strong value as the Hub of the Pacific.

Interest from foreign investors to partner with Fijian citizens through joint ventures increased 33% from 57 enquiries last year to 76 this year.

Investments and exports are the pillars that support a country's economic growth. They complement each other and work towards generating foreign direct investment and creating employment opportunities, both of which contributes to raising Fiji's standard of living.

Investment Fiji participated in 9 outbound missions and delegations this year, to New Zealand, India, the United States, China, Canada, Australia and New Caledonia. Five being formal government missions, the others Conferences and Trade Negotiations.

Inbound delegations are critical in achieving our purpose as this allows us to showcase the investment opportunities available across many sectors. Official delegations that visited in 2015 came from the USA, Australia, China and Hong Kong. Assistance ranged from setting up meetings with relevant organisations through to full day seminars.

Whilst 2015 was an excellent year for Investment Fiji in terms of attracting foreign direct investment, the organisation also underwent a restructure aimed at achieving a 'Better Fiji for all' through improved effectiveness.



Leading this restructure was our new Chief Executive Officer, Mr Godo Müller-Teut, who was appointed following an extensive local and overseas selection process. He started with us in February and immediately brought a fresh perspective to Investment Fiji. His initial goals were to build a high performance team, to enhance exporter capabilities, to create a solid governance structure, and to attract foreign direct investment.

The CEO has successfully launched the revised Investment Fiji in the public forum, by releasing relevant press releases, actively participating in seminars, speaking at events and representing Investment Fiji at numerous seminars abroad and domestically.

Investment Fiji is now regarded as the leading economic development agency across the Pacific. Going forward, the implementation of the 'Transform to Perform' program, and roll out of key divisional strategies as well as the deployment of a holistic IT system will allow Investment Fiji to further manifest its aspiration in becoming a world class Investment and Export Promotion Agency.

The "Transform to Perform" corporate transformation program was developed at a strategy workshop attended by the board in April where we re-defined Investment Fiji's purpose, more commonly referred to as Mission as *"Developing a sustainable and successful nation by stimulating investment and exports"*.

CHAIRMAN’S REPORT

While writing this new chapter in our history, we worked to create long-term value for all our stakeholders.

Investment Fiji signed a number of MOUs with key agencies and government departments in order to improve coordination for registration, facilitation and monitoring of foreign and local investment.

Export markets are opening up particularly for value added niche products as we actively market our products overseas. Our growing success in this area was acknowledged through the 2015 Westpac Prime Minister’s Exporter of the Year Award, held in November, with a record number of attendees celebrating the success of our exporters.

We would be unable to achieve our goal of achieving a ‘Better Fiji for All’ without the ongoing support, assistance and guidance we receive from our Minister, The Government, and the Ministry of Industry, Trade and Tourism and for this I thank them.

I also thank my fellow Board Directors and the management and staff of Investment Fiji for their willingness and ability to adapt in times of change.

With their commitment and determination, we are confident that Investment Fiji is equipped to take on the opportunities and challenges that will come our way in the years ahead.

“The results reflect the continued confidence and commitment of global companies in Fiji, and are testimony to our strong value as the Hub of the Pacific.”

.....
Mr. Truman Bradley
Chairman of the Board
Executive Chairman until February 2015



BOARD OF DIRECTORS

We are committed to excellence in corporate governance, which we believe is essential for the long-term performance and sustainability of Investment Fiji and the delivery of our strategy.

Board Membership

The Board comprises the Chairman, the Deputy Chairman, the Permanent Secretary of the Ministry of Industry Trade and Tourism, and six other board members.

Under the Investment Fiji Act, the Minister for Industry Trade & Tourism appoints the Directors. The Directors may hold office for a period not exceeding two years but are eligible for reappointment.

Ms. Preetika Prasad was appointed as the Board Director in April, 2015. Other Board Directors holding office in 2015 were Mr Truman Bradley (Chairman), Mr. Jitoko Tikolevu (Deputy Chairman), Mr Shaheen Ali (Permanent Secretary, Ministry of Industry Trade and Tourism), Mr. Nemai Vuniwaqa, Mr. Solomon Nata, Mr. William Situ, Mr. Firoz Ahmed Ghazali, Mr. Richard Breen and Mr. Robert (Bob) Lowres.

Board Meetings

Under the Investment Fiji Act, five Directors form the quorum for a meeting of the Board. In the absence of the Chairman, the Deputy Chairman may chair in the Board Meeting. The Board met on 10 occasions throughout 2015.

Ethical Standards

The Board is committed to acting with the utmost integrity and expects the same of every employee at every level of Investment Fiji. Employees are encouraged to raise any matters of concern with their supervisor or Human Resources. The HR Policy also applies to ensure compliance with disclosure requirements and to ensure accountability at a senior management level for that compliance.

Strategic Planning

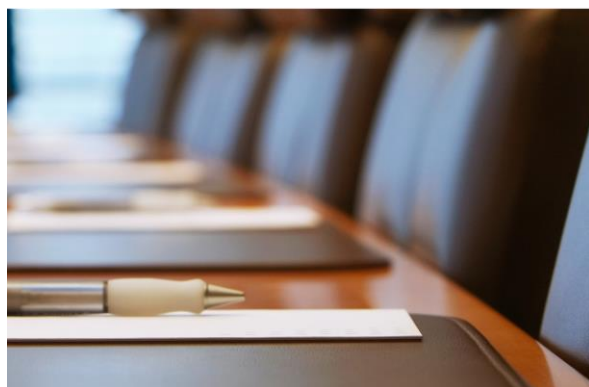
The Board reviews the strategic plan of Investment Fiji at least annually and monitors implementation of the strategic plan throughout the year.

Confidentiality

Directors must protect and hold confidential non-public information that comes to them, from whatever source, in their capacity as a Director of the Company, unless disclosure is authorized or required by law. Proceedings and deliberations of the Board and its committees are confidential.

Communication with Third Parties

The Board believes that it is, in general, the responsibility of management to speak for Investment Fiji in communications to outside parties (e.g., investors, the press and industry associations). Directors should only engage in such communications at the request of or after consultation with management or the Ministry of Industry Trade and Tourism.



BOARD OF DIRECTORS



Mr. Truman Bradley
Chairman



Mr. Jitoko Tikolevu
Deputy Chairman



Mr. Shaheen Ali
Director



Mr. Nemani Vuniwaqa
Director



Mr. Solomon Nata
Director



Ms. Preetika Prasad
Director



Mr. Firoz A Ghazali
Director



Mr. Richard Breen
Director



Mr. Robert (Bob) Lowres
Director



Mr. William W.Q. Situ
Director

CHIEF EXECUTIVE OFFICER'S REPORT

It was my great honour to join Investment Fiji as CEO in February 2015 and I thank the Board and staff for welcoming me and making my transition into the role a smooth one.

During 2015 Investment Fiji successfully registered 362 foreign direct investment projects. Sectors were many and varied, however Services, Wholesale and Retail, and Tourism accounted for 76% of total registrations. China was the leading nation with 274 registrations, followed by Fiji with 110 and Australia with 104.

The three highest sectors for investment value were Electricity, Gas and Water, Tourism and Real Estate, accounting for 64% of total registrations. Employment was more evenly spread with Services, Real Estate and Tourism contributing 61%.

Throughout the year we implemented 98 projects at a confirmed investment value of FJ\$363 million generating 590 full time jobs.

A number of successful inbound and outbound missions took place in 2015. As a consequence, an increasing number of investors have either registered or expressed further interest in investing in Fiji, proving that successful missions and increasing foreign direct investment are intrinsically linked.

2015 also saw the introduction of our "Transform to Perform" corporate change program. The objective was to re-define the fundamental principles Investment Fiji stands for; by looking at who we are, what we do, why we exist and most importantly create clarity of purpose along with strategies that lead to greater value for Investment Fiji and therefore to the economy.

As part of our 'Transform to Perform' Corporate Change program, we identified a number of Challenges aimed at creating step-function productivity and capability increases in critical business areas. The key highlights are:

Building and effective organisational structure, that makes sense, is adaptable, lean and delivers on time, every time.



Recruit, develop and coach our staff to become true professionals and experts in their various fields – our teams need to be recognised as the best and trained to be experts.

We are developing an inclusive business model with an operational path to short, medium, and long-term productivity growth. Once adopted, this will allow us to capture and understand our customers business, define why and how Investment Fiji is working with the customer, set clearly defined outcomes of the engagement and assign transparent individual SMART activities that deliver on the promise. Thus allowing Investment Fiji to progress from strategy through execution whilst being able to measure performance and output through 90-day action plans.

We completed a comprehensive technology review and deployed a new IT platform that enables us to deliver our goals, and are scoping a new CRM system that will capture all touch points of the organisation.

By implementing innovative technology we will be able to dramatically improve now only how we run Investment Fiji but also how we access, share and disseminate information in an effective and efficient manner.

CHIEF EXECUTIVE OFFICER'S REPORT

The first step on the path to transformation was the launching of our new on-line registration system at the start of the year that allows foreign investors to register their project in Fiji, irrespective of their physical location.

The Single Window Clearance System for investment registration not only expedites the processing time, but it also allows for greater levels of transparency as investors are able track and monitor the progress of their applications across all agencies.

We are formulating an exporter engagement model, based on a partnership approach and addressing both capability enhancements and path to market programs. This is aimed at increasing both the ability of exporters to export and the quantity of products exported, which will have ultimately have a positive impact in the balance of trade deficit.

We are reviving the investment promotion and facilitation divisions to become customer focused and better equipped to deliver the requirements of investors, and increase the quality and quantum of investment, both domestic and international.

We are reaching out to the private sector, government ministries, departments, statutory bodies and our overseas embassies, NGO's business associations and foreign missions to develop a collaborative model and work in unison on reaching our goal of 'Achieving a better Fiji for all'

All of the above will lead to a 'New Investment Fiji' that is proactive, efficient, and collaborative, results oriented, intelligent and influential.

Improving productivity is an ongoing activity and these Challenges specify productivity improvement in the way we operate both internally and externally and are designed to evolve over time, thereby allowing Investment Fiji to embrace a continuous improvement approach.

The year ended with the 2015 Westpac Prime Minister's Exporter of the Year Awards where the supreme winner was Tropik Woods Industries. An excellent calibre of entries and a record attendance at the Awards night ensured we properly celebrated the successes of our exporters.

I take this opportunity to thank all who have assisted Investment Fiji in undertaking its role and functions and I extend my sincere appreciation to the managers and staff for their hard work, commitment and cooperation during the year.

I also thank the Honourable Faiyaz Koya, Minister for Industry, Trade & Tourism, the Government, other statutory organisations and the private sector for their ongoing support which enables us to effectively carry out our role in assisting our valued investors and exporters.

I look forward to their continued assistance and close working relationship in the coming year.

Finally I thank the Chairman Mr. Truman Bradley and Board of Directors for their strong support and guidance throughout 2015.

.....
Mr. Godo Muller-Teut
Chief Executive Officer

MACROECONOMIC PERFORMANCE

Macroeconomic Overview

Fiji offers a market friendly business environment, sound macroeconomic policies, low inflation, a relatively stable foreign exchange rate and modern commercial contract laws enforced by the judiciary.

Economic stability is essential for attracting significant inward investment, with Fiji having both low levels of inflation and positive GDP growth over the past years.

According to the Reserve Bank of Fiji, the economy is estimated to have grown by 4.0 percent in 2015, representing the sixth consecutive year of economic expansion, following a 5.3 percent growth in 2014. In contrast, the 10-year period up to 2009 was marked by low and volatile growth, with real GDP rising by an average of 1.3%.

At the end of 2015, inflation was recorded at 1.6 percent with foreign reserves amounting to \$1,943.7 million, equivalent to 5.9 months of retained imports of goods and non-factor services cover.

The sustained growth trajectory is attributed to a combination of pro-growth Government policies, including tax reforms, notable investment in infrastructure, and the Reserve Bank of Fiji's accommodative monetary policy.

The services sector provided the major impetus to growth during the year, backed by better-than-expected performance in the tourism industry as visitor arrivals reached a new peak with 754,835 arrivals.

Tourism earnings increased by 11.1 percent to FJ\$ 1,560.2 million, exceeding total domestic exports of FJ\$ 1,105.9 million. With re-exports valued at FJ\$ 908.2 million, total combined exports reached FJ\$ 2,059.2 million, compared to imports of FJ\$ 4,756.8 million.

Inward remittances increased by 28.3 percent to a record FJ\$ 491.7 million in 2015. Overall, investment is estimated to account for 22.3 percent of GDP in 2015.

Favorable financial conditions evident in adequate liquidity levels and low interest rates provided a conducive environment for private investment and credit growth in the economy.

Our pro growth tax structure supports innovation and investment with 20% corporate tax and a lower rate of 10% for companies listed on the South Pacific Stock Exchange.

Fiji has a Strong Banking Sector; the two largest banks operating in Fiji, ANZ and Westpac are in the Top 20 of the Global Finance World's Safe Banks Index 2014.

In May this year Standard & Poor's raised its long-term sovereign credit rating for Fiji from B to B+, reflecting the stable economic outlook.

Fiji has established itself as the hub of the Pacific which allows investors to capitalise on much wider economic opportunities across the region.

Our national airline, Fiji Airways provides excellent service connectivity across Fiji, the Pacific, New Zealand, Australia, the USA and Hong Kong. These connections not only cater to tourist and business travelers but also enable our trading houses to export their commodities in a fast and efficient manner.

In line with the recently launched Green Growth Framework, innovative renewable energy and bioenergy projects are underway capitalizing on Fiji's large sugarcane and wood production. A strong environmental focus has been a major component of the Fiji Government's development projects.

Fiji is a party to various trade agreements such as South Pacific Regional Trade and Economic Corporation Agreement (SPARTECA), the Melanesian Spearhead Group Trade Agreement (MSG), Pacific Island Countries Trade Agreement (PICTA), Interim Economic Partnership Agreement (IEPA).

FOREIGN INVESTMENT REGULATIONS

The Foreign Investment Act

In Fiji, foreign investment is governed by the Foreign Investment Act 1999 ('Act'), the Foreign Investment (Amendment) Act 2004, the Foreign Investment Regulation 2009 and the Foreign Investment (Amendment) Decree 2013.

The Act came into force on 29 October 1999 and since its inception it has helped Fiji attract and properly manage investors from all over the world.

The Act sets out the guidelines by which a foreign investor can invest in Fiji and this is administered by Investment Fiji.

These legislations set out the guidelines in which foreign investors are to invest in Fiji. Under the Act, a foreign investor must not carry on business in Fiji unless the Chief Executive of Investment Fiji has granted the foreign investor a Foreign Investment Registration Certificate ('FIRC').

A total 17 Reserved Activities exist which are reserved for locals only and not open to foreign investors. These activities range from Milk Bar or Cafeteria Business, a taxi or a kava business, handicraft business, tailoring business electrical and plumbing businesses, repair of household good business, Day care center, plant nursery and care, internet café and amusement centers to homestay lodging to backpacker services. Other activities reserved for locals only are bakery, night club and a liquor bar other than those operated within the vicinity of a hotel or resorts operated by foreign owners.

In addition there are 8 Restricted Activities that require special consideration for approval, primarily a minimum paid up capital and Fijian national shareholding requirements. Sectors falling under the Restricted Activity list include Fishing, Forestry, Tobacco Manufacturing, Cultural Heritage Tourism Projects, Real Estate Management / Renting out of Villas to Tourists / Real Estate Development, Construction, Earthmoving Businesses and Interisland Shipping and Passenger services.

The list of restricted and reserved activities is reviewed by the Ministry of Industry Trade and Tourism.

About Investment Fiji

Investment Fiji is a statutory body formed by the Government to:

- Promote investment opportunities and facilitate development of industries, ventures or enterprises that create employment opportunities, increase exports, reduce imports, or are otherwise beneficial to the economy of Fiji;
- Assist other persons or bodies in the establishment or expansion of any such activities;
- Undertake product and market development and research either alone or jointly with any other person;
- Act as the agent for the Government on such matters as may be delegated to it;
- Advise on policies that would further enhance trade and investment;
- Make grants for purposes related to the discharge of its functions under this Act;
- Generally do all such things as may be incidental to or consequential upon the exercise of its powers or functions under this Act.

We operate independently and provide a range of services to promote investments, domestic employment and develop industries and enterprise, as well as to increase the exports of goods and services



OUR ROLE

Investment Fiji's purpose is to develop a sustainable and successful nation by stimulating investment and exports. In order to do this, Investment Fiji needs to attract and develop FDI and domestic investment, enable and assist investors to set up and grow and work with new and established exporters in upskilling and promoting their products and services overseas.

Investment Fiji therefore has three primary roles: Investment Promotion, Investment Facilitation and Export Promotion.

Investment Promotion

The purpose of attracting foreign direct investment is to create employment and joint venture opportunities for local firms as well as providing access to capital. Inward investment also allows for knowledge, technology and intellectual property transfer and serves as mechanism of linkages; that is domestic firms becoming suppliers of foreign affiliates and, ideally, part of their global supply chains.

Investment Facilitation

The Investment Registration Team registers investment projects by issuing the Foreign Investment Registration Certificate (FIRC) and effectively converts an investment enquiry into an actual investment. An on-line registration system has been launched in July 2015 that allows foreign investors to register their Fijian project, irrespective of their geographical location. We support domestic and foreign Investors in establishing their business and providing information and assistance during various development phases

Export Promotion

The purpose of our Trade and Export team is to increase exports in general, but particularly of those products and services that add value, allow for import substitution and contribute to employment.

Companies need different types of services and interventions at different stages of their export development. Capability support is aimed at up-skilling through training and enterprise development as well as cooperation between focused suppliers. Our trade and export support concerns assistance in identifying and entering potential new export markets.



Over the next 18 months Investment Fiji will be implementing a customer engagement model. This model will allow us to capture relevant customer information such as the strategic goals of the investor and we'll be able to record all activities that occur as the investment project is implemented.

The engagement model has four elements;

- the customer's business,
- the purpose of our engagement,
- the primary objectives agreed, and
- the individual activities to be conducted.

Our success will be measured by key performance indicators across both the process and the customer as well as financially.

The engagement model is a critical part in developing a suitable customer relationship management (CRM) system.

INVESTMENT PROMOTION

Primary Goal

The primary goal of the investment promotion team is to increase the quality and quantum of foreign direct investment (FDI) and domestic investment into Fiji.

Fiji has a comparable advantage when it comes to investment and doing business, because of its strategic location as the “hub of the Pacific”. Fiji also offers trade and investment incentives including duty concessions, investment allowances, tax exemptions and tax free regions. There are well developed banking and financial institutions, telecommunications and transportation infrastructure, along with an English speaking, well educated workforce. Fiji has dynamic trade arrangements – bilateral, regional and multilateral.

Why Foreign Direct Investment (FDI)?

FDI not only generates foreign exchange reserves, but allows for skill and knowledge transfer, transfer of technology, diffusion of ideas and ultimately drives growth.

Foreign firms bring in new technology or upgrade existing technology. These technical and managerial skills and ways of doing business are transferred directly to local employees. Foreign firms introduce best practice to local firms that enable them to become suppliers to the foreign firms, often increasing productivity.

FDI contributes to better integration of Fiji into the world economy. Investment by foreign firms can bring about convergence in environment, labour, product, safety and technology to international standards.

By understanding the investor mindset Investment Fiji will ensure that our efforts are effectively oriented towards favorable investment attraction.

What Role do we Play?

We are the first stop for investors.

Our team has extensive knowledge of the local investment environment and the experience to identify the ideal fit between the economic benefit of Fiji and the business opportunity for the investor. We assist investors approaching Investment Fiji and actively promote Fijian investment opportunities both nationally and internationally.

Active promotion involves three distinct steps –

- **Identification and articulation of investment opportunities**, that need to be globally competitive and deliver tangible business benefits.
- **Targeting**, the identification of specific international businesses that could benefit from the opportunity.
- **Engagement**, the development and presentation of targeted pitches and the assistance to investors when investigating the opportunity offered.

In order to make the final decision of selecting a location, investors require quality information that is timely, reliable and up to date.



The purpose of attracting foreign direct investment is to create employment and joint venture opportunities for local firms as well as providing access to capital. Inward investment also allows for knowledge, technology and intellectual property transfer and serves as mechanism of linkages; that is domestic firms becoming suppliers of foreign affiliates and, ideally, part of their global supply chains.

INVESTMENT PROMOTION

What we Accomplished in 2015

A total of 293 enquiries on investment opportunities were received from local and foreign investors. Enquiries ranged from information requests on how to start a business, through to full support as potential investors conducted ministry and site visits.

Investors from China, Australia, America, New Zealand, Korea and India were interested in all sectors, but particularly services, wholesale and retail and tourism. 76 enquiries related to joint venture opportunities, an increase of 33% over last year.

We hosted 15 inbound missions and delegations and were involved in nine outbound missions.

Investment Missions - Outbound

AIM 2015, Dubai, UAE (March)

Investment Fiji Chairman, Mr. Truman Bradley attended the AIM 2015 meeting in Dubai. The theme of the fifth edition of the Annual Investment 2015 was on "Sustainable Development through FDI Induced Innovation and Technology Transfer". It is an occasion where the world's leading academics, experts and practitioners gather to discuss and debate how essential is innovative activity for growth and development and how FDI can contribute to sustainable economic growth through transfer of technology and the supportive investment policies that are needed to attract and retain investment of the right kind as well as the internationalization of research and development activities by transnational corporations

AFCI Conference, Los Angeles, USA (April)

Investment Fiji in association with Film Fiji attended the Association of Films Commissioners International ("AFCI") Locations, Global Production & Finance Conference in April 2015. Investment Fiji's presence assisted Film Fiji to guide enquirers on registration processes involved by the production companies especially when applying for tax rebates.

NZ Fiji Business Forum, Auckland, NZ (June)

The New Zealand Fiji Business Council and Fiji New Zealand Business Council held their Annual Joint Forum at the Villa Maria Winery in Auckland on 12th June 2015.

The purpose of the conference was to encourage, facilitate and support trade and investment links between Fiji and New Zealand. The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut delivered a presentation on the investment opportunities that exist in Fiji, an overview of key trade data between Fiji and New Zealand and the sound political and economic environment that enhances private sector growth in Fiji.

The conference presented an opportunity to attract potential investors and reinforce the notion that Fiji is an attractive investment destination.



INVESTMENT PROMOTION

Investment Missions - Outbound

State Visit, Beijing, China (July)

The Chairman of Investment Fiji attended a state visit to China from July 13th to July 21st 2015 led by the Honourable Prime Minister and his delegation including Honourable ministers and key personnel from invited agencies and departments of government.

The chairman was requested to attend to identify and advise on opportunities that government can take advantage of during the meetings being attended.

The China meetings included discussions and negotiations with the President HE Xi Jinping and the Premier Li Keqiang over consecutive days and both meetings were completed with a state hosted dinners.

During the state visit MOUs were signed by various government representatives of the attending parties and numerous business opportunities were highlighted from Technology based initiatives, air service agreements and infrastructure projects.

FIPIC Meeting, India (August)

The Chairman of Investment Fiji attended the 2nd Forum for India-Pacific Islands Cooperation (FIPIC) Summit, being hosted by India in Jaipur, India from August 17th to August 23rd and led by the Honourable Prime Minister and his delegation including Honourable ministers and key personnel from invited agencies and departments of government.

The chairman was requested to attend to identify and advise on opportunities that government can take advantage of during the meetings being attended as a large contingent of local business houses would also be on hand to discuss possible opportunities.

The FIPIC meetings included discussions and negotiations with the Honourable Prime Minister Narendra Modi and his team with a state hosted dinner held to conclude the event with all Pacific Island countries in attendance.

State Visit, Vancouver, Canada (August)

The Chairman of Investment Fiji attended a Trade and Investment Mission to Vancouver, Canada from August 4th to August 12th including Fiji Day Celebrations led by the Honourable Prime Minister and his delegation including Honourable ministers and key personnel from departments of government.

The chairman was requested to attend to identify and advise on opportunities that government can take advantage of during the trade mission and to deliver a presentation to key audience's including local business forums.

Meetings between government departments and the private sector took place to identify opportunities as well as attending Fiji Day celebrations with one of Fiji's largest Diaspora communities. This was the first visit by a Fiji Prime Minister to encourage trade initiatives.



INVESTMENT PROMOTION

Investment Missions - Outbound

Australia Fiji Business Forum, Sydney (Oct)

The Australia- Fiji Business Council and the Fiji- Australia Business Councils held the 22nd Australia Fiji Business Forum at the Novotel Manly Pacific Hotel, Sydney, from 15 to 17 October 2015.

The Forum, attended by the Honorable Prime Minister Josaia Voreqe Bainimarama, The Minister for Industry, Trade and Tourism of Fiji, Honourable Faiyaz Koya and Australian Minister for International Development and the Pacific Honourable Steven Ciobo was themed “Australia and Fiji: An Enduring Business Partnership”.

The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut presented on the topic: “Investment Attraction Fundamentals”. The presentation included the attractiveness of Fiji as an investment destination, a brief overview of key trade data between Australia & New Zealand and insights into what Investment Fiji is doing to attract quality investment in Fiji.



3rd MSG Investment Roadshow, Noumea (Oct)

The 3rd MSG Investment Roadshow was held on 18th of November at the Jean-Marie Tjibaou Centre New Caledonia.

The roadshow was attended by private sector participants from all MSG countries. Investment Fiji was the only IPA that was given the opportunity to deliver presentations during Session 2: Taking Advantage of Business Opportunities in MSG Countries of the Investment Roadshow. The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut presented on the topic “Investment in Fiji: An Overview” which highlighted the investment opportunities that exist in Fiji and the sound political and economic environment that enhances private sector growth in Fiji.

Investment Fiji also held meetings with senior representatives of the Government of New Caledonia and CGPME to promote bi-lateral trade and encourage investment of New Caledonian companies in Fiji.

In collaboration with Bred Bank (Fiji) Ltd and Banque Caledonienne d'Investissement (BCI) of New Caledonia, the CEO of Investment Fiji delivered a presentation on “Investment opportunities in Fiji” to 20 industry leaders and HNI’s at the head office of BCI in Noumea. The aim was to promote Fiji as the Hub of the Pacific and encouraging New Caledonian companies to invest in Fiji.



GREEN GROWTH FRAMEWORK

The Government of Fiji has committed to integrating green growth into its development efforts. Green growth is a cornerstone of the new National Development Plan (NDP) for 2015-2020, which builds on the Green Growth Framework of Fiji.

Launched by the Prime Minister Hon. Voreqe Bainimarama in June 2015, the Green Growth Framework for Fiji is an innovative tool to accelerate integrated and inclusive sustainable development that inspires action at all levels in the country to build environmental resilience, build social improvement and reduce poverty, build economic growth, and build resilience to the anticipated adverse effects of climate change.

Four key elements are critical for success:

(1) Expanding and maintaining the domestic capacity to produce enough food to feed our local population, (2) diversifying our food production base to satisfy dietary needs, (3) ensuring ease of access to food by maintaining the appropriate distribution systems that link people to markets and (4) monitoring the efficiency of farms to ensure competitive local produce prices for the benefit of ordinary Fijians.

The implementation of the framework will be supported by eight guiding principles:

- 1) Reducing carbon footprints at all levels;
- 2) Improving resource utilisation and productivity;
- 3) Developing a new integrated approach across all stakeholders;
- 4) Strengthening socio-cultural education of responsible environmental stewardship and civic responsibility;
- 5) Increasing the adoption of comprehensive risk management practices;
- 6) Supporting the adoption of sound environment auditing of past and planned developments;
- 7) Enhancing structural reforms in support of fair competition and efficiency; and
- 8) Incentivising investment in the rational and efficient use of natural resources.

Ten thematic areas have been identified to stimulate sustainable future development:

Environment Pillar

- Building resilience to climate change and disasters;
- Waste management;
- Sustainable island and ocean resources;

Social Pillar

- Inclusive social development;
- Food security
- Freshwater resources and sanitation management;

Economic Pillar

- Energy security;
- Sustainable transportation;
- Technology and innovation;
- Greening tourism and manufacturing industries.

"Fiji has embraced the concept of Green Growth for a Blue Economy and that is only natural considering the prominence of marine resources for many ordinary Fijians in their everyday lives. For this reason we strongly support the proposed Sustainable Development Goal of the United Nations to conserve and sustainably use the oceans, seas and other marine resources for sustainable development. This goal gives global recognition to and promotes the challenges all of us deal with as Pacific Small Island Developing States."

Speech by the Prime Minister Hon. Voreqe Bainimarama during the 39th FAO Conference in Rome July 2015.

INVESTMENT FACILITATION

The Investment Facilitation Team registers investment projects by issuing the Foreign Investment Registration Certificate (FIRC) and effectively converts an investment enquiry into an actual investment.

We recognise that a customer centric approach is essential to generating a deeper understanding of the investors' business goals. Knowing our investors is the foundation of our success, we need to understand who they are and where they want to go in order to build and deliver our support programs.

Investment Fiji has developed a comprehensive range of post-investment or after-care services for existing investors, and have identified this as key for generating both new investment and upgrading the quality of existing projects over time.

Investment Registrations in 2015

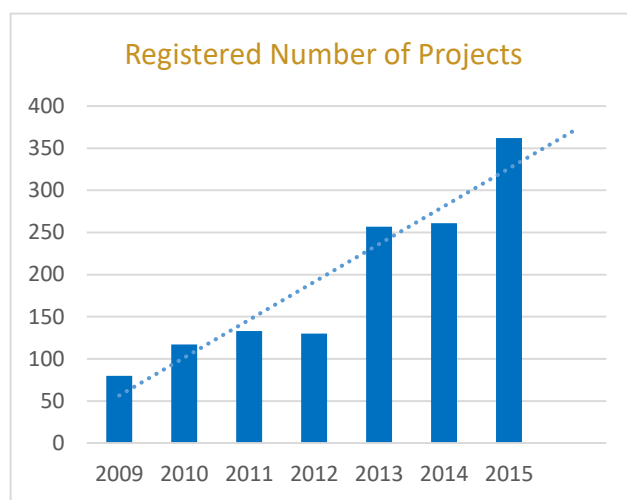
We facilitate Investments by enabling and assisting Investors in establishing their business; issuing the Foreign Investment Registration Certificate, and providing information, support and assistance during the growth phases.

In 2015 Investment Fiji received 1,802 Investment Enquiries, representing an increase of 13% over figures recorded in 2014.

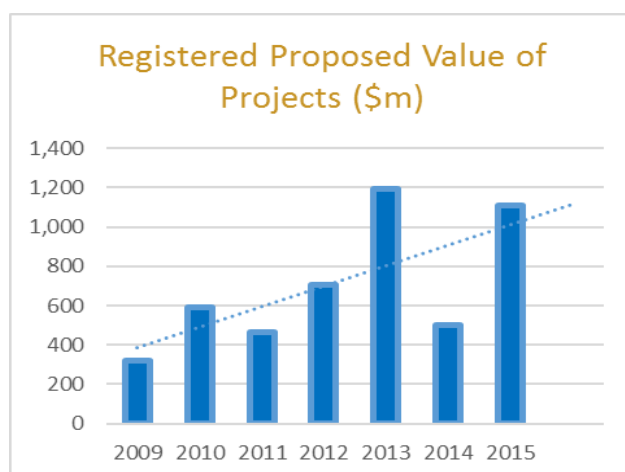
Throughout the year we assisted 1,665 companies with various facilitation requests, including Progress Reports, issuance and amendments of Foreign Investment Registration Certificates, amendments in shareholding structures and business names, extension of activities and time, cancellations, travel facilitation letters, amendments to financial structures and general facilitation support such as obtaining licenses and approvals from government departments and statutory bodies.

Investment Fiji conducted 281 site visits across the country to assist both implemented and non-implemented projects and provided inter-agency compliance support in 31 instances.

In 2015 Investment Fiji registered 362 investment projects, a 39% increase over 2014. The increase in project numbers can be attributed to the removal of the minimum investment threshold in 2013.



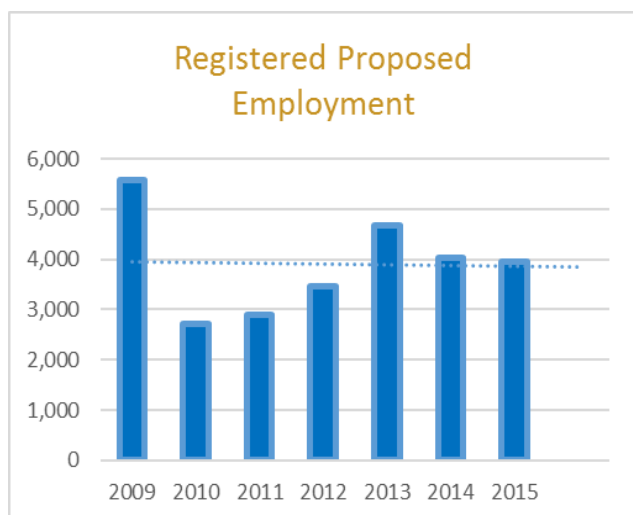
Total investor declared project values are recorded over a 3 year period, and in 2015 the proposed investment value equated to FJ\$ 1.1 billion. Compared to 2014 this represented an increase of 121%.



INVESTMENT FACILITATION

Investment Registrations in 2015

As with investor declared project values, proposed employment generation is also recorded over a 3 year period, and in 2015 investment projects proposed are anticipated to created 3,953 additional jobs, when fully implemented.



Proposed employment in the services sector is expected to be 912 or 23% of the total, followed by 857 in real estate (22%) and 631 in tourism (16%). Real estate development in 2015 generated the highest average number of employees per project at 50, whilst services, and wholesale and retail were the lowest with 5.7 and 5.6 average employee per project respectively.

Trends over the past six years have indicated that services generate an average of eight employees per project, whilst tourism generates 17 employees with mining the largest average employer over the past six years with 75 employees.

The major investment interest in 2015 was driven by Chinese investment with a total of 274 individual and companies registered. This was followed by joint venture interest by Fiji nationals and companies of 110, Australia having a total of 104 projects, New Zealand having 84 individuals and companies and the United States 45 individuals and companies. Average value per project per country can vary significantly depending on the sectors, with services, wholesale and retail traditionally having lower investment value.

Project Implementations in 2015

Investment Fiji monitors registered projects in order to generate a clear understanding when a proposed project becomes implemented. The process concerns the establishment of close relationships with investors, site inspections and collaboration with other government agencies and departments. Projects can take several years to implement from the time of registration in particular in the tourism, real estate, energy and mining sectors.

In 2015 a total 90 projects reached the implementation phase, representing an increase of 22% over 2014.

These 90 implemented projects generated FJ\$ 363 million in Foreign Direct Investment. In terms of employment the 90 projects have led to the generation of 590 full time jobs for Fijian nationals in 2015.

Implemented Projects from 2013 to 2015

Year	No. of Projects	Value FJ\$ million	FTE
2013	74	\$319.38	2,583
2014	74	\$330.53	946
2015	90	\$363.01	590
Total	238	\$1,012.92	4,119

Over the 3 year period 2013 to 2015, a total 238 projects were implemented at a combined value of FJ\$ 1,012.92 million creating a total 4,119 full time jobs.

In addition the conversion rate of proposed to implemented projects has significantly grown from 19 in 2010 to 90 in 2015.

INVESTMENT FACILITATION

Approval Processes and Procedures.

Prior to commencement of setting up a business, the foreign investor has to apply and obtain approvals from the following agencies:

- Registrar of Companies for the reservation of company or business names (*Tier 1*).
- Investment Fiji to issue the Foreign Investment Registration Certificate (*Tier 1*)
- Registrar of Companies for registration of company/ business names (*Tier 1*)
- FRCA for Tax and VAT registration (*Tier 1*)
- RBF for Issuance of shares and partnership interest (*Tier 1*)
- Department of Immigration for work permit
- Local town or city councils for business license to operate in a respective area
- FNPf for employer and employee registration.

Before issuing a FIRC, Investment Fiji conduct its own due diligence to ensure the investor is genuine. Further approvals maybe needed from other government agencies depending on the nature of the project.



Single Window Clearance System

An on-line registration system has been launched by the Honorable Prime Minister in July 2015. The on-line gateway allows investors to deal directly with Tier One agencies of the Fijian Government to obtain the necessary approvals and make the necessary payments. Investors can now reserve and register their company name with the Companies Office, can obtain a tax identification number from FRCA, obtain share issue approvals from the Reserve Bank as well as obtaining their Foreign Investment Registration certificate.

Creating an efficient platform that improves the ease of doing business in Fiji has been a long-standing goal for government. The system not only expedites the processing time, but it also allows for greater levels of transparency as investor are able to track and monitor the progress of their applications across all agencies.

A promotional video has been commissioned highlighting the 7 steps to investing in Fiji.



CONTACT US FOR MORE INFORMATION:
Investment Fiji

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9th Floor, City Centre, Victoria Parade, Suva | P.O. Box 20085
Phone: 6773 1218 / 6888 Fax: 6778 1007 / 788

INVESTMENT FACILITATION

Memorandum of Understanding

Investment Fiji signed a number of MOUs with key agencies in order to improve coordination for registration, facilitation and monitoring of foreign and local investment which will ultimately assist in the implementation of projects.

MOU with FRCA (Jan)

The Fiji Revenue and Customs Authority signed a Memorandum of Understanding for data sharing with Investment Fiji in Suva on 30 January. The agreement signed between FRCA chief executive officer Mr. Jitoko Tikolevu and Investment Fiji Executive Chairman Mr. Truman Bradley is expected to boost information collation for local and foreign investments in the country.

MOU with the Reserve Bank of Fiji (Feb)

Investment Fiji and the Reserve Bank of Fiji (RBF) have signed a Memorandum of Understanding to enhance the exchange of data information and cooperation in the area of investment activities in Fiji. The MOU was signed by Investment Fiji Executive Chairman Mr. Truman Bradley and Reserve Bank of Fiji Governor Mr. Barry Whiteside on 22nd of February.



MOU with the Department of Immigration (Feb)

Investment Fiji and the Department of Immigration have signed a Memorandum of Understanding to establish a cooperative and favourable relationship between both parties. The MOU was signed by the director of Immigration Mr. Nemani Vuniwaqa and the Executive Chairman of Investment Fiji Mr. Truman Bradley on 27th of February.

MOU with iTaukei Land Trust Board (March)

Investment Fiji has signed a memorandum of understanding with the iTaukei Land Trust Board in its efforts to streamline the investment approvals process. The agreement signed between iTaukei Lands Trust Board director Ro Epeli Mataitini and General Manager Alipate Qetaki and Investment Fiji Chairman Mr. Truman Bradley on March 3rd.



MOU with Biosecurity Authority (June)

An MOU was signed between Biosecurity Authority of Fiji Executive Chairman, Mr. Xavier Riyaz Khan and Investment Fiji CEO Mr. Godo Mueller-Teut. The MOU between Biosecurity and Investment Fiji will allow for more accurate and timely border control information and enhance the exchange of data.

MOU with the Ministry of Lands (Nov)

An MOU was signed between Investment Fiji and the Ministry of Lands to strengthen the investment climate in Fiji by allowing for information sharing between Investment Fiji and the Ministry. The MOU was signed by Ministry of Lands Permanent Secretary Mr. Tevita Boseiwaqa and CEO of Investment Fiji Mr. Godo Mueller-Teut on November 6th.



EXPORT PROMOTION

The primary goal of the export promotion team is to work with new and established exporters in upskilling and promoting their products and services overseas.

This is in line with the Government's Fijian Trade Policy Framework first policy objective to transform Fiji into a vibrant, diversified and internationally competitive export-led growth oriented economy; and accomplished by enhancing the performance of the manufacturing and service sectors contribution to economic growth, as well as focusing on other growth areas in the priority sectors.

Trade and Export Overview

Fiji is the ideal re-export centre for international businesses to supply products and services to the rest of the Pacific and located at a very good vantage point and enjoys excellent air and sea connectivity across the region.

Our national airline, Fiji Airways provides excellent service connectivity across Fiji, the Pacific and beyond. With direct flights to Honiara, Port Vila, Funafuti, Tarawa, Apia, Vava'u, Nuku'alofa, Kiritimati, Honolulu, Los Angeles, San Francisco, Brisbane, Sydney, Melbourne, Auckland, Wellington, Christchurch and Hong Kong.

These connections not only cater to tourist and business travellers but also enable our trading houses to export their commodities in a fast and efficient manner.

During 2015, Fiji's total exports equated to \$1.87 billion, of which \$1.1 billion were domestic exports, classified as products originating from Fiji.

Our top export partners are the United States, Australia, the United Kingdom, China, New Zealand, Vanuatu and Japan. Fuelled by mineral water sales, exports to the United States reached \$275 million, whilst exports to the United Kingdom primarily concerned Sugarcane destined for the European Union.

Fiji the 'Hub of the Pacific'

Being the "hub of the Pacific" Fiji is also a strategic transshipment centre for cargo traded between the Pacific Island States.

During 2015 total exports equated to \$1.87 billion of which \$752 million or 40% were re-exports.

About \$247m were re-exported to other Pacific Island nations, primarily Tonga with \$72m, Kiribati with \$48m, Nauru \$36m, Cook Islands \$25.3m, and Samoa with \$17.8m - thereby clearly positioning Fiji as the true commercial hub of the Pacific. Other Re-exports included China with \$38.6m, Australia at \$36m, Japan \$31m and New Zealand \$29m.

In 2015 total Exports to PIC's equated to \$482.5m, exceeding total combined exports to New Zealand and Australia of \$372m.

Domestic Exports to Pacific Island countries amounted to \$181.6 million, whilst re-exports equated to \$246.9 million.

In 2015 total exports to Tonga for instance amounted to \$98 million, thereby exceeding total exports to New Zealand which equated to \$87.6 million. Total exports to Kiribati reached \$74 million whilst Vanuatu accounted for \$62.5 million and Samoa \$44 million.

Combined Domestic Exports to Australia and New Zealand reached \$307 million, whilst re-exports contributed \$65million.

Fiji has a positive balance of trade with all PICs (apart from Niue) at a combined \$407 million. Whilst the Balance of Trade with Australia and New Zealand is clearly against Fiji with a negative \$923 million.

These figures clearly show the significance of the Pacific Islands for Fijian export's both domestic and from a re-export perspective.

EXPORT PROMOTION

Building our Export Base

Investment Fiji has developed a new way in which it engages with exporters that is collaborative, agile and results driven.

Our Export Engagement Strategy launched in November 2015 allows Investment Fiji to actively engage with Fijian exporters; strengthening relationships and creating new ones in its efforts to develop a better understanding of their needs.

We want to partner with our exporters to develop joint engagement programs that encourage growth and lead to the prosperity of the nation. And there is no better way to develop a deeper understanding of our exporters than engaging in an open and continuous dialogue, listening to success stories, problems, aspirations and concerns. This allows us to map our exporters by demographic representation, such as location, capacity, potential and markets served.

Not only has Investment Fiji forged close ties with companies, we have also identified a number of ready-to-export businesses. Work is now progressing to assist them in finding suitable markets. We assist in market identification, information on logistics and regulatory environments and undertake research. Furthermore, the team are currently working on putting together a promotional video which captures Fijian made products to be played in your respective embassies and trade offices in overseas.

Investment Fiji understands that exporters products will need to stand out against international competition if it is to succeed. Our trade and export support services are developing 'one-stop' services that will allow businesses to have an insight into customer desires through market research, investigate the regulatory environment and red tape, potential distribution channels and advise on general business etiquette.

Investment Fiji also takes an active role in promoting Brand Fiji through Cross-Promotional Campaigns, Exhibitions, Conferences, Investment and Trade Missions in conjunction with MITT and targeted at countries that provide realistic opportunities for exporters.

Support from Investment Fiji enables businesses to focus on what they are good at, namely delivering quality value-added products manufactured locally in Fiji.

Aspiring local businesses who do not have access to foreign investment or expertise are usually deprived but Investment Fiji has created channels which directly supports local exporters in realising their true potential in the export market.

We work with local suppliers who are seeking to export, by understanding their products and the overseas markets they wish to enter. We also actively meet with current exporters to identify how best Investment Fiji can assist the companies in expanding their export markets and in growing their businesses.

Furthermore, we work with exporters on product range extension including value-adding, and extracting value from niche markets.

Case Studies

Organic Earth Fiji expressed gratitude to Investment Fiji for assisting them in entering export markets that they had not considered.

Pleass Global Ltd appreciated the opportunities Investment Fiji provided to attend trade missions and events and to facilitate dialogue with government and trade partners in a highly professional manner. They acknowledged the communication service to the private sector that Investment Fiji has provided, thereby creating opportunities for exporters.

Pride Mahogany (Fiji) commended Investment Fiji for fashioning a brilliant platform for local businesses and entrepreneurs to network not only locally, but with reputable contacts overseas where their products achieved higher exporter prices as well as finding broader markets for all of their product range.

TRADE & EXPORT PROMOTION

Missions, Seminars and Events

4th Investment Exploratory Seminar (Aug)

A total 17 delegates attended the 4th Investment Exploratory Seminar from the 25th to 26th of August 2015 at the Novotel Suva, Lami Bay. The two-day investment exploratory seminar was jointly organised by the Fiji Consulate General's Office in Sydney, Investment Fiji and the Pacific Islands Trade and Invest. The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut delivered a presentation highlighting key economic trends and trade flows between Australia and Fiji.

MSG HIPA Meeting, Nadi (Aug)

During the Melanesian Spearhead Group Heads of Investment Promotion Agencies & Industry Officials Meeting at the Tanoa International Hotel Nadi, on 27th August, the CEO of Investment Fiji delivered a presentation on the Economic Overview of Fiji and more particular on the 'Transform to Perform' program underway at Investment Fiji to become a word class IPA.

12th PACER Plus Meeting, Melbourne (Oct)

The twelfth Meeting on PACER-Plus was held at the Grand Chancellor Hotel, Melbourne, Australia from 6-9 October 2015 and attended by officials from Fiji and other Pacific Island Countries, Australia and New Zealand. PACER-Plus is a proposed regional free trade agreement between Australia, New Zealand and 14 Pacific Island Countries. Countries continued to table and discuss market access offers on goods, services, investment at the intersessional meeting. Work also focused on developing the Work Programme that would be annexed to the Development and Economic Cooperation Chapter

MSG Roadshow and Trade Fair, Noumea (Nov)

Held in Noumea, New Caledonia, Investment Fiji actively promoted Trade and Investment opportunities and assisted seven Fijian companies to display and promote their products during the event.

Fiji-Japan Investment & Trade Seminar (Dec)

The 2015 Fiji-Japan Investment & Trade Seminar organised by the Embassy of Japan, JICA and Investment Fiji was attended by the Parliamentary Vice-Minister for Foreign Affairs of Japan, Honourable Masakazu Hamachi, The Minister for Industry, Trade and Tourism of Fiji, Honourable Faiyaz Koya and The Ambassador to Japan in Fiji His Excellency Mr. Takuji Hanatani. The CEO of Investment Fiji delivered presentation on the role of Investment Fiji, current market dynamics and investment opportunities for Japanese companies in Fiji.



TRADE & EXPORT PROMOTION

Missions, Seminars and Events

Renewable Energy Conference, Suva (April)

The Conference attended by the Hon. Minister for Infrastructure and Transport Mr. Pio Tikoduadua was organized by the Department of Energy with support from the United Nations Development Programme (UNDP) and Global Environment Facility (GEF)-funded Fiji Renewable Energy Power Project (FREPP), the Forum showcased promising renewable energy power sector investment opportunities and highlighted the supporting national frameworks. The CEO of Investment Fiji Mr. Godo Mueller-Teut delivered a presentation on the role of Investment Fiji and key investment trends as well as incentives in the Energy Sector.

Guangzhou Trade & Economic Cooperation Conference (June)

The Conference was led by His Excellency Mr. Hu Chunhua, Member of the Political Bureau of the Central Committee of the Communist Party of China, Party Secretary of the CPS Guangzhou Committee and the Honourable Faiyaz Koya Minister for Industry Trade and Tourism. During the conference the CEO of Investment Fiji delivered a presentation highlight trade and investment opportunities in Fiji as well as the role of Investment Fiji.

Fiji PNG Business Council Conference (June)

The Fiji PNG Annual Conference held at the Holiday Inn Suva on June 15th highlighted bi-lateral trade relations between Fiji and Papua New Guinea and was attended by the Acting Head of Mission Mr. Yu Minimbi and members of the council. The CEO of Investment Fiji presented an overview of the investment climate in Fiji as well as trade and investment data between Fiji and Papua New Guinea.

Republic of Marshal Islands Trade & Investment Seminar (June)

The Seminar attended by the Honorable Jack Ading, RMI Minister of Finance was held at the Tanoa Hotel Suva on June 16th with the theme of 'Bridging the Republic of the Marshall Islands (RMI) and Fiji Economic Paths by Linking the North and South through Trade & Investment'. The CEO of Investment Fiji presented an overview of the investment climate in Fiji as well as trade and investment data between Fiji and the Marshall Islands. Fiji based company Joe's Farm, has been selected to conduct a feasibility study for the Republic of the Marshall Islands on investing in Hydroponic and Aquaponic projects.

Thai Trade Promotion Seminar (September)

The Trade Promotion Seminar was attended by the Thailand Ambassador to Fiji His Excellency Chirachai Punkrasin, Director Bhuthong Thingyai of the Thai Trade Centre in Sydney, Koon Wetawattana of Homestate Co-Operation Limited and the Honourable Faiyaz Koya Minister of Industry Trade and Tourism. During the conference the CEO of Investment Fiji presented on trade and investment opportunities in Fiji as well as the role of Investment Fiji.

China-Fiji Bilateral Symposium (Nov)

The Symposium for Commemorating the 40th Anniversary of the Establishment of China-Fiji Diplomatic Relationship Bilateral Economic and Trade was held on the 5th of November in Suva. During his speech the CEO of Investment Fiji commended the growing trade, investment and economic relationship between China and Fiji and highlighted key trade indicators.



TRADE & EXPORT PROMOTION

Fijian Trade Policy Framework (2015 – 2025)

Launched by the Prime Minister in July 2015, the **Fijian Trade Policy Framework** lays out a comprehensive course of action to take the **Fijian economy** to another level by boosting the trade performance.

It reflects the changing global landscape, focuses on core **Fijian strengths** and guides **Fiji's trade, industry, investment and economic agenda** for the period 2015 to 2025 to ensure that **Fiji is, and remains the hub of the Pacific**.

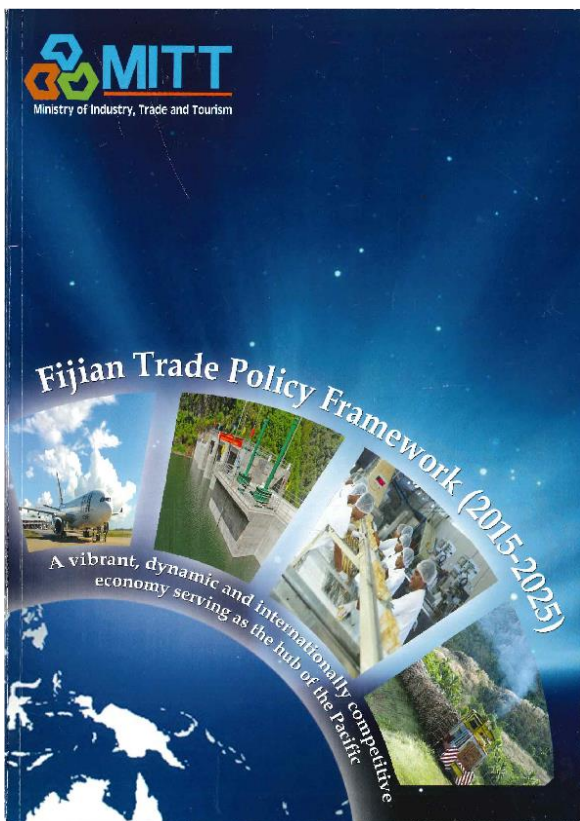
The policy is the guiding document for all agreements between **Fiji and her trading partners** with the aim of improving and securing meaningful international market access, which promotes the production and export of value added products in order to contribute to job and wealth creation.

It spells out policy measures and strategies that will drive and enhance domestic and international trade and recognises the private sector as the engine for economic growth and development.

The Trade Policy Framework is premised on the following guiding principles:

- Maintain coherence with national policies and laws;
- Pro-growth and pro-development;
- Job creation and poverty alleviation;
- Raising the standard of living for all Fijians;
- An enabling and open business environment for private sector growth;
- Export growth and diversification, and enhancement of international competitiveness;
- Sound and stable fiscal and balance of payment position;
- Promote competitiveness of domestic firms and enhancement of domestic production and service provision;
- Improve human capital and technical skills; and
- Ensure sustainable development and environmental protection.

This policy underpins **Fiji's commitment** to bilateral, regional and multilateral trade frameworks with a view to expanding and securing market access for **"Fiji Made"** goods and services and promoting **"Brand Fiji"** across global trade environments.



2015 WESTPAC PRIME MINISTER'S EXPORTER OF THE YEAR AWARDS



The 2015 Westpac Prime Minister's Exporter of the Year Awards marked 23 years of acknowledging and celebrating the important contributions that Fijian exporters are making to our nation's economy through job creation and increased prosperity in the community.

Exporters across a wide variety of sectors, from manufacturing to agriculture, ICT and Services have contributed to the growth of Fiji's exports by more 30% from FJ\$1.6 billion in 2010 to FJ\$2.3 billion in 2014.

The theme for 2015 was 'Partnering for Global Success' calling for closer collaboration across industries and public sector.

Twelve outstanding exporters were recognised by the Chief Guest, Prime Minister Honorable Voreqe Bainimarama for their efforts and contribution to the exporting industry and the growth of the country's economy.

2015 Westpac Prime Minister's Exporter of the Year Award Winner

The 2015 Westpac Prime Minister's Exporter of the Year Award was presented to a Company with outstanding export results, excellent corporate social responsibility, creative techniques and innovative ideas which has impacted trade and development in Fiji.

Winner: **Tropik Wood Industries Ltd**

From an insolvent company five years ago, heavily indebted and with fractured relationships with employees and landowners, Tropik Wood has shown that with vision and tenacity, any business can be successfully revived. Now the industry leader in sustainable practices through their forestry replanting programme, they have also ventured into renewable energy.



2015 WESTPAC PRIME MINISTER'S EXPORTER OF THE YEAR AWARDS

General Awards Category

The General Awards recognise businesses who demonstrated excellence in building extraordinary and sustainable international growth across three categories – Small, Medium, and Large

Bank of Baroda Small Exporter of the Year Award

presented to a Company with foreign exchange earnings of up to F\$2 million.

Winner: **Pleass Global Ltd**

AquaSafe and Vai Wai are two brands of natural artesian water bottled by Pleass Global that can now be found in the US, Hong Kong, China and PNG.



Life Insurance Corporation of India (LIC) Medium Exporter of the Year Award

presented to a company with foreign exchange earnings between F\$2 million – F\$5 million.

Winner: **Ba Industries Ltd**

The first wire manufacturing business in Fiji to achieve ISO certification, BA Industries have been exporting for the past 30 years mainly to the Pacific.



HFC Bank Large Exporter of the Year Award

recognising the achievements of a company with exports exceeding \$5 million.

Winner: **Rosie Holidays**

A company that is 100% Fijian and family owned, Rosie Holidays has been active in the travel industry for over 40 years and are a major contributor to Fiji's foreign exchange earnings.



2015 WESTPAC PRIME MINISTER'S EXPORTER OF THE YEAR AWARDS

Special Awards Category

The Special Awards are presented to companies who excelled in three special categories:

Technix Pacific Limited Emerging Exporter of the Year Award

for excellence in a niche market through creativity.

Winner: **Douglas Pharmaceuticals (Fiji) Ltd**

This company began its Fiji operations 16 years ago through local joint ventures and supplies its major market New Zealand with pharmaceutical and natural health products.



Bank of South Pacific (BSP) Import Substitution Award

presented to companies demonstrating at least 20% reduction of their total import bill and 20% increase in the utilization of locally available raw materials.

Winner: **Pure Fiji Ltd**

Premium skin care company Pure Fiji sources all raw materials locally in a sustainable manner and they are the only ISO certified cosmetic manufacturer in Fiji.



The Ministry of Youth & Sports Youth Entrepreneur Award

presented to a company owned by a youth entrepreneur that has made an impact on the Fijian economy at a young age.

Winner: **Quality Tile Setters**

From humble beginnings eight years ago, the owner of Quality Tile Setters now employs 15 staff. Specialising in tiling swimming pools, residential homes and hotels, the owner is an advocate of youth in-training and a strong community supporter.



2015 WESTPAC PRIME MINISTER'S EXPORTER OF THE YEAR AWARDS

Sector Based Awards

The Sector Awards are presented to companies who have demonstrated business success across five key sectors, Agriculture, Fisheries, Manufacturing, Forestry and ICT:

Reserve Bank of Fiji Agriculture Exporter of the Year Award

Winner: **Ram Sami & Sons (Fiji) Ltd**

Over the past 50 years, Ram Sami has grown from a backyard farm growing vegetables, yagona and poultry to now be the market leader in farm fresh eggs. Their growth strategy supported by technology and ISO accreditation, has resulted in increased employment levels and several excellence awards.



Hangton Pacific Company Ltd Fisheries Exporter of the Year Award

Winner: **Khanz Holdings Ltd**

From a company renting a small factory in Toorak, Khanz Holdings now owns a plant with the capacity to store and process frozen fish for export to Vietnam, Sri Lanka and Taiwan. Employment levels have doubled and the company has also increased the number of local outlets.



Golden Manufacturers Ltd Manufacturing Exporter of the Year Award

Winner: **Standard Concrete Industries**

Standard Concrete Industries is Fiji's largest supplier of quarry, ready mix concrete, concrete blocks & pavers. It is the longest running company in concrete and aggregate supply business.



2015 WESTPAC PRIME MINISTER'S EXPORTER OF THE YEAR AWARDS

Sector Based Awards

The Sector Awards are presented to companies who have demonstrated business success across five key sectors, Agriculture, Fisheries, Manufacturing, Forestry and ICT:

Tropik Wood Industries Ltd Forestry Exporter of the Year Award

Winner: **Pride Mahogany (Fiji) Ltd**

Pride Mahogany is directly involved in harvesting, processing, replanting and exporting Fijian mahogany. They were the first and are one of the foremost logging contractors involved in harvesting Fijian mahogany and export o New Zealand, Australia and the United States.



ANZ Bank Information Communications Technology (ICT) Services Award

Winner: **Foneology Solutions Ltd**

Foneology are the authorised repair centre for most well known mobile phone brands for Fiji, Australia, New Zealand and the Pacific. The company are also market leaders in GPS vehicle tracking, speed cameras and e-ticketing systems.



Recognition Awards

During the 2015 Westpac Prime Minister's Exporter of the Year Awards 6 companies were presented with a Recognition Award. These companies were applauded for their continued excellence within their respective fields.

- ❖ United Apparel (Fiji) Ltd
- ❖ FMF Foods Ltd
- ❖ Ben's Trading Ltd
- ❖ Pacific Cement Ltd
- ❖ Pacific Fishing Company Ltd
- ❖ ANZ Pacific Operations Ltd



OUR PEOPLE

Staff

Investment Fiji has a dedicated team of 34 staff. During the year, we recruited 11 new employees and reappointed 23 employees through new employment contracts, whilst we had three resignations.

Investment Fiji’s “Transform to Perform” restructure resulted in the creation of three divisions –

- Investment Promotion
- Investment Facilitation and
- Trade and Export

As part of the restructure, all positions within Investment Fiji were redefined and advertised. New job descriptions were created along with key performance indicators specifically established for each new position in alignment with the “Transform to Perform” objectives.

The head office refurbishment commenced in 2015 with new paint, blinds, workstations and chairs for the staff plus upgraded meeting rooms for our clients.

Training and Development

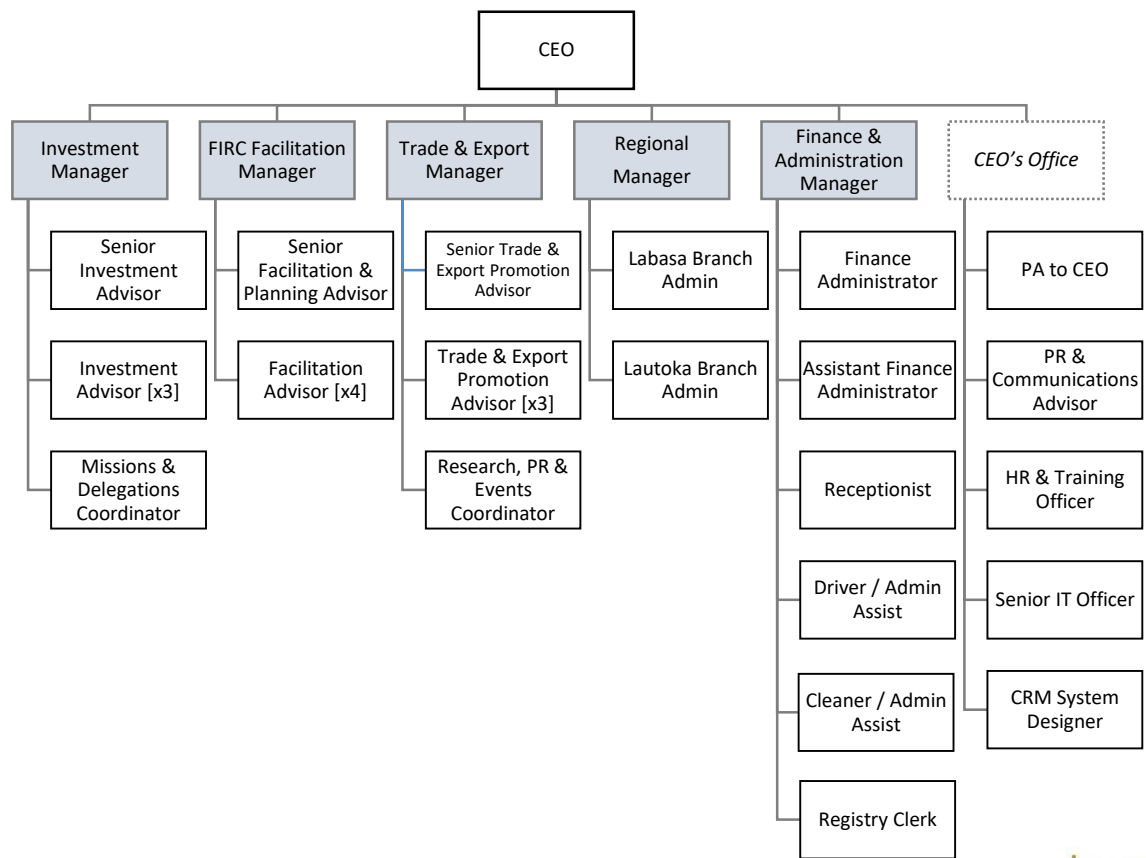
Staff training and development has always been an integral part of Investment Fiji’s capacity building.

In 2015, targeted training and development to support the restructure and to fulfil our purpose of developing a sustainable and successful nation by stimulating investment and exports occurred. This included media training, updates on the new Companies Act, Tax and Customs Acts as well as training on the new Single Window Clearance System.

Cross border initiatives resulted in an Investment Fiji staff member selected to attend a three week course in China on economic cooperation between the two countries.

Health and Safety

No injuries or accidents were recorded in 2015. To promote a healthy lifestyle, a free medical check-up was organised and staff took advantage of this opportunity.



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FOR THE YEAR ENDED 31 DECEMBER 2015

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement by Board Chairman and Chief Executive Officer

In the opinion of the Board Chairman and Chief Executive Officer;

- (i) The accompanying income statement of Investment Fiji is drawn up so as to give a true and fair view of the results for Investment Fiji for the year ended 31 December 2015;
- (ii) The accompanying statement of changes in equity of Investment Fiji is drawn up so as to give a true and fair view of the changes in equity of Investment Fiji for the year ended 31 December 2015;
- (iii) The accompanying statement of financial position of Investment Fiji is drawn up so as to give a true and fair view of the state of affairs of Investment Fiji as at 31 December 2015;
- (iv) The accompanying statement of cash flows of Investment Fiji is drawn up so as to give a true and fair view of the cash flows of Investment Fiji for the year ended 31 December 2015; and
- (v) At the date of this statement, there are reasonable grounds to believe that Investment Fiji will be able to pay its debts as and when they fall due.

Dated this 9th day of May, 2016.

Chairman

Chief Executive Officer

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Auditor General Report

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8th Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji

Telephone: (679) 330 9032
Fax: (679) 330 3812
Email: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



File: 1239/1

10th May 2016

Mr. Truman Bradley
Chairman of Board of Directors
Investment Fiji
6th Floor, Civic Tower
SUVA

Dear Sir

INVESTMENT FIJI
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015.

Audited financial statements for Investment Fiji for the year ended 31 December 2015 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been discussed with the management of Investment Fiji for their actions.

Yours sincerely

Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Encl.

cc: CEO – Investment Fiji

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Auditor General Report

OFFICE OF THE AUDITOR GENERAL Excellence in Public Sector Auditing



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Investment Fiji

I have audited the accompanying financial statements of Investment Fiji, which comprise the statement of financial position as at 31 December 2015, and the income statement, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out in notes 1 to 21.

Directors and Management's Responsibility for the Financial Statements

The Investment Fiji Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium - sized Entities and the requirements of Section 19 of the Economic Development Board Act. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Investment Fiji's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Investment Fiji's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Audit Opinion

In my opinion:

- (a) proper books of account have been kept by the Investment Fiji, so far as it appears from my examination of those books; and

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Auditor General Report

(b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards for Small and Medium - sized Entities:

(i) are in agreement with the books of account; and

(ii) to the best of my information and according to the explanations given to me:

- give a true and fair view of the state of affairs of the Investment Fiji as at 31 December 2015 and its financial performance, changes in equity and its cash flows for the year ended on that date; and
- give the information required by the Section 19 of the Economic Development Board Act 1996 in the manner so required.



Atunaisa Nadakuitavuki
for AUDITOR GENERAL



Suva, Fiji
10 May, 2016

FINANCIAL STATEMENTS

Income Statement for the Year Ended 31 December 2015

	NOTES	2015	2014
Income			
Government grant - operational		1,739,130	1,739,130
Registration fees		459	226
Trade Promotions - income	3	321,290	202,087
Other income	4	40,801	5,710
Total income		2,101,680	1,947,153
Expenditure			
Administrative expenses	5	392,631	236,356
Depreciation		78,061	69,698
Finance cost		559	1,601
Operating expenses	6	330,414	324,882
Personnel expenses	7	820,435	655,080
Trade Promotions - expenses	8	341,254	243,588
Total expenditure		1,963,354	1,531,205
Net surplus (deficit) for the year		138,326	415,948

The accompanying notes form an integral part of this income statement.

FINANCIAL STATEMENTS

Statement of Changes in Equity for the Year Ended 31 December 2015

	NOTE	2015	2014
ACCUMULATED FUNDS			
Balance as at 1 January		1,402,345	747,265
Payment to Ministry of Finance	14	(390,491)	-
		1,011,854	747,265
Surplus for the year		820,435	655,080
Balance as at 31 December 2015		1,832,289	1,402,345

The accompanying notes form an integral part of this statement of change in equity.

FINANCIAL STATEMENTS

Statement of Financial Position as at 31 December 2015

	NOTES	2015	2014
ASSETS			
CURRENT ASSETS			
Cash on hand and at bank	15	935,134	1,586,421
Receivables	9	32,149	27,477
Total Current Assets		967,283	1,613,898
NON CURRENT ASSETS			
Property, plant and equipment	10	373,670	123,278
Total Non Current Assets		373,670	123,278
TOTAL ASSETS		1,340,953	1,737,176
LIABILITIES			
CURRENT LIABILITIES			
Trade creditors and accruals		101,470	140,682
Payable to Ministry of Finance	13	275,000	355,000
Provision for employee entitlements	11	36,846	17,323
ANZ Loan - lease finance	12	-	12,301
Total Current Liabilities		413,316	525,306
NON CURRENT LIABILITIES			
Provision for employee entitlements	11	16,589	39,430
ANZ Loan - lease finance	12	-	9,227
Total Non Current Liabilities		16,589	48,657
TOTAL LIABILITIES		429,905	573,963
NET ASSETS		911,048	1,163,213
ACCUMULATED FUNDS AND RESERVES			
Accumulated funds and reserves		911,048	1,163,213
TOTAL EQUITY		911,048	1,163,213

The accompanying notes form an integral part of this statement of financial position.

Chairman

Chief Executive Officer

Investment 

FINANCIAL STATEMENTS

Statement of Cash Flow for the Year Ended 31 December 2015

	Note	2015 Inflow / (Outflow)	2014 Inflow / (Outflow)
Cash flows from Operating Activities			
Receipts of grants and others		1,739,130	1,739,130
Receipts from customers		4,116	20,492
Receipts from / (payments for) special account		(19,963)	(41,501)
Payments to suppliers and employees		(2,061,733)	(812,507)
Net cash provided by/ (used in) Operating Activities		(338,450)	905,614
Cash flows from Investing Activities			
Payments for property, plant & equipment		(328,453)	-
Proceeds from sale of property, plant & equipment		37,144	498
Net cash (used in)/provided by Investing Activities		(291,309)	498
Cash flows from Financing Activities			
Repayments of ANZ Loan		(21,527)	(12,300)
Net cash used in by Financing Activities		(21,527)	(12,300)
Net increase/(decrease) in cash and cash equivalents		(651,286)	893,812
Cash and cash equivalents at the beginning of the year		1,586,420	692,608
Cash and cash equivalents at the end of the year	15	935,134	1,586,420

The accompanying notes form an integral part of this statement of cash flows.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 1. GENERAL INFORMATION

Investment Fiji is a Government of Fiji entity domiciled in the Republic of the Fiji Islands. Investment Fiji was created in 1980 under the Economic Development Board Act No.11. The address of its registered office and principal place of business is disclosed in Note 21 to the financial statements.

The principal activity of Investment Fiji is to promote, stimulate and facilitate trade and investment in Fiji.

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements prepared by Investment Fiji is in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The principal accounting policies adopted by Investment Fiji are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

All amounts are stated in Fijian currency.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of IFRS for SMEs, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Preparation (Continued)

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

a) Allowance for Doubtful Debts

An allowance is made in respect of debts considered doubtful based on a review of outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

b) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless Investment Fiji has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

c) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income statement in the period in which they are incurred.

d) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Preparation (Continued)

e) Employee Benefits

Annual leave

The liability for annual leave is recognised in the provision for employee benefits. Liabilities for annual leave are expected to be settled within 12 months of the reporting date and are measured at their nominal values using the current remuneration rate which is expected to be applied at the time of settlement.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Retirement benefits

The liability for retirement benefits is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Wages and salaries

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date.

Defined contribution plans

Contributions to Fiji National Provident Fund (FNPF) by Investment Fiji are expensed when incurred.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Preparation (Continued)

f) Foreign Currency Transactions

Functional and presentation currency

Investment Fiji operates in Fiji and hence the financial statements are presented in Fiji dollars, which is Investment Fiji's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into Fiji currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

g) Government Grants

Government grants are recognised in the statement of financial position initially as deferred income where there is reasonable assurance that they will be received and that the entity will comply with the conditions attached to them. Grants that compensate the entity for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same period in which the expenses are incurred. Grants that compensate the entity for the cost of an asset are recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

h) Income Tax

Income of Investment Fiji is exempt from income tax in accordance with Section 17(24) of the Income Tax Act.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Preparation (Continued)

i) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment loss. Cost includes expenditure that is directly attributable to the acquisition and installation of the items.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives using the following rates:

Audio Visual Equipment	20%
Computer Equipment	20%
Furniture and Fittings	10%
Leasehold Improvements	10%
Office Equipment	15%
Motor Vehicles	20%

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

j) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value less allowance for doubtful debts. An allowance for doubtful debt of trade and other receivables is established when there is objective evidence that Investment Fiji will not be able to collect all amounts due according to the original terms of the receivables.

k) Value Added Tax (VAT)

Revenues, expenses, assets and liabilities are recognised net of the amount of Value Added Tax (VAT), except:

- i) where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii) for receivables and payables which are recognised inclusive of VAT.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

The VAT component of cash flows arising from operating and investing activities, which is recoverable from or payable to the taxation authority, is classified as operating cash flows.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 3.	TRADE PROMOTION INCOME - OTHERS	2015	2014
	Exporter of the Year Award	321,290	202,087
	Total Trade Promotion -Income	321,290	202,087

NOTE 4.	OTHER INCOME	2015	2014
	Fiji-PNG Business Council Secretariat fee	2,400	2,400
	FNU Grant	1,257	2,812
	Gain on sale of fixed assets	37,144	498
	Total Other Income	40,801	5,710

NOTE 5.	ADMINISTRATIVE EXPENSES	2015	2014
	Advertising and public relations	21,489	12,350
	Audit fee	3,783	5,217
	Bank charges	6,047	4,042
	Board members expenses	14,555	7,623
	Computer repairs	7,964	15,095
	IT support services	-	20,099
	Directors fee	34,417	23,917
	Electricity	30,770	32,626
	Entertainment and Hospitality	1,768	2,705
	Repairs	-	1,595
	Stationery	8,067	9,874
	Subscriptions	9,407	8,751
	Telephone and Fax	25,605	22,122
	Telephone computer line	16,299	15,926
	Travel/accommodation and subsistence	145,816	54,413
	Relocation allowance	22,749	-
	Single window clearance launch	13,995	-
	Office refurbishment	29,900	-
	Total Administrative Expenses	392,631	236,356

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 6. OPERATING EXPENSES	2015	2014
Insurance	47,362	42,804
Trade promotion seminars / investment workshop	14,199	10,699
Motor vehicle repairs and maintenance	15,007	33,126
Office expenses	12,501	8,135
Printing	21,629	45,190
Hire of photocopier	9,049	3,305
Postage and courier	1,412	4,052
Professional fee	-	1,379
Rent	177,991	176,191
Operating lease on motor vehicle	31,264	-
Total Operating Expenses	330,414	324,882

NOTE 7. PERSONNEL EXPENSES	2015	2014
FNPF contribution	60,577	42,072
FNU levy	8,174	6,249
Fringe benefit tax	3,494	3,265
Provision for long service leave	-	(453)
Provision for retirement benefit	(22,841)	1,999
Salaries and wages	769,421	596,729
Staff training	1,610	5,220
Total Personal Expenses	820,435	655,080

NOTE 8. TRADE PROMOTION EXPENSES	2015	2014
Exporter of the year award	311,573	205,821
Trade and investment mission to MSG / China	-	37,768
Trade and investment mission - overseas	29,681	-
Total Trade Promotion - Expenses	341,254	243,589

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 9. RECEIVABLES AND OTHER ASSETS

	2015	2014
Other receivables	28,262	10,185
Debtors	60,989	67,512
Provision for doubtful debts	(62,472)	(62,472)
	26,779	15,225
Prepayments	5,370	11,131
Unexpired interest charges	-	1,120
Total Receivables and Other Assets	32,149	27,477

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

	Audio Equipment	Computer Equipment	Furniture & Fittings	Leasehold Improvements	Office Equipment & Others	Motor Vehicles	Total
Gross Carrying Amount							
Balance at 1st January 2014	16,013	435,207	102,582	173,786	71,039	265,397	1,064,024
Disposals	(2,172)	(83,592)	-	-	(6,160)	-	(91,924)
Balance at 31st December 2014	13,841	351,615	102,582	173,786	64,879	265,397	972,100
Acquisitions	3,549	211,977	58,224	19,371	35,331	-	328,452
Disposals	(3,553)	(254,945)	(11,370)	-	(54,051)	(96,457)	(420,376)
Balance at 31st December 2015	13,837	308,647	149,436	193,157	46,159	168,940	880,176
Accumulated Depreciation							
Balance at 1st January 2014	11,877	379,816	64,255	146,134	65,606	203,359	871,047
Disposals	(2,172)	(83,592)	-	-	(6,160)	-	(91,924)
Depreciation expense	1,678	29,162	7,159	8,233	2,239	21,228	69,699
Balance at 31st December 2014	11,383	325,386	71,414	154,367	61,685	224,587	848,822
Depreciation for the year	1,521	40,804	8,038	7,467	4,174	16,057	78,061
Disposals	(3,553)	(254,946)	(11,370)	-	(54,051)	(96,457)	(420,377)
Balance at 31st December 2015	9,351	111,244	68,082	161,834	11,808	144,187	506,506
Carrying Amount							
As at 31 December 2014	2,458	26,229	31,168	19,419	3,194	40,810	123,278
As at 31 December 2015	4,486	197,403	81,354	31,323	34,351	24,753	373,670

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 11. PROVISIONS	2015	2014
Employee Entitlements		
Opening balance	56,753	88,909
Net movement during the year	(3,318)	(32,156)
Closing Balance	53,435	56,753
Analysis of total provisions:		
Current	36,846	17,323
Non-current	16,589	39,430
	53,435	56,753
NOTE 12. INTEREST BEARING BORROWINGS	2015	2014
Current		
Secured borrowings:		
Finance Lease - ANZ Banking Group Limited (a)	-	12,301
Total current interest bearing borrowings	-	12,301
Non-Current		
Secured borrowings:		
Finance Lease - ANZ Banking Group Limited (a)	-	9,227
Total non-current interest bearing borrowings	-	9,227

a) Finance lease from ANZ Banking Group Limited was undertaken to finance the purchase of motor vehicle registration number FY951 and was subject to interest at the rate of 6.45% per annum for a term of 4 years. This lease has been fully paid in June 2015.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 13. PAYABLE TO MINISTRY OF FINANCE	2015	2014
FIRC Registration Fee	275,000	355,000
Total Payable to Ministry of Finance	275,000	355,000

The Government has increased Investment Fiji's Operating Grant to \$2 million in 2014. In return, Investment Fiji is expected to return all the Foreign Investment Registration Certificate (FIRC) Fees collected back to the Government. The FIRC fees in previous years were treated as income in Investment Fiji's book.

NOTE 14. PAYMENT TO MINISTRY OF FINANCE

The Kalabu Tax Free Zone (KTFZ) was transferred the Ministry of Finance (MoF) on September 2011, therefore, the cash flow savings of \$390,491 relating to KTFZ's income over the years was paid to MoF at the request of the Ministry.

NOTE 15. NOTES TO THE STATEMENT OF CASH FLOWS

Cash and Cash Equivalents	2015	2014
Cash and cash equivalents consist of cash on hand and balance with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:		
ANZ Banking Group - Operational Account	603,003	1,186,232
ANZ Banking Group - Trust Account	41,702	30,079
ANZ Banking Group - Other Funds Account	289,729	369,410
Petty Cash	700	700
Total cash and cash equivalents	935,134	1,586,421

ANZ Other Funds Account balance of \$289,729 represents the amount payable to Ministry of Finance and Fiji Revenue Customs Authority of \$275,000 and \$14,729 respectively at balance date and is not available for Investment Fiji's use.

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 16. COMMITMENTS

	2015	2014
Operating lease commitments for the leased motor vehicle		
Not later than one year	31,264	-
Later than one year but not later than five years	109,425	-
Total operating lease commitments	140,689	-

NOTE 17. CONTINGENT LIABILITY

	2015	2014
Contingent liabilities exist with respect to the following:		
Litigation claims (a)	63,000	63,000
Retirement benefits (b)	57,789	57,789
Other contingent liability (c)	27,905	27,905
	148,694	148,694

a) Relates to the legal lawsuit regarding a dispute concerning the alleged refusal to re-employ employee after the expiration of the contract on secondment.

b) Retirement benefit yet to be paid to an employee retiring in accordance with provisions of Article 26 paragraph of the Collective Agreement signed in 2001 between Investment Fiji and the Fiji Public Service Association (FPSA) regarding terms and conditions of service of salaried staff. No claim has been received so far by FPSA.

c) Other contingent liability consists of refund of the advance payment to Investment Fiji by Centre Development Enterprises.

NOTE 18. RELATED PARTY DISCLOSURES

The names of persons who were directors of Investment Fiji at anytime during the year were as follows:

Mr. Truman Bradley - Chairman
Mr. Jitoko Tikolevu - Deputy Chairman
Mr. Shaheen Ali
Mr. William Situ
Mr. Robert Lowres

Mr. Solomon Nata
Mr. Nemani Vuniwaqa
Mr. Firoz Ahmed Ghazali
Mr. Richard Breen
Ms. Preetika Prasad

Directors' remuneration for the year 2015 is \$34,417 (2014: \$23,917).

FINANCIAL STATEMENTS

Notes to the Financial Statements for the Year Ended 31 December 2015

NOTE 19. SUBSEQUENT EVENTS TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Investment Fiji, the results of those operations, or the state of affairs of Investment Fiji in future financial years.

NOTE 20. PRINCIPAL ACTIVITIES

The principal activity of Investment Fiji is to promote, stimulate and facilitate trade and investment in Fiji.

NOTE 21. INVESTMENT FIJI DETAILS

Registered Office and Principal Place of Business

The registered office and the principal place of business of Investment Fiji is:

Level 6, Civic Tower
Victoria Parade
Suva
Fiji.

Number of employees

As at balance date, Investment Fiji employed a total of 34 (2014: 26) employees.

SUVA HEAD OFFICE
6th Floor, Civic Tower, Victoria Parade
PO Box 2303, Government Buildings
Suva, Fiji.

LAUTOKA OFFICE
Ground Floor, Jay Lal & Co Complex, 21 Tui Street
PO Box 5105
Lautoka, Fiji.

LABASA OFFICE
Level 1, LTD Building, Damanu Street
PO Box 4665
Labasa, Fiji.

www.investmentfiji.org.fj