

VERBATIM NOTES OF MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS, HELD IN THE COMMITTEE ROOM (WEST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON TUESDAY, 30TH JANUARY, 2018 AT 9.25 A.M.

Interviewee/Submittee: Department of Environment

In Attendance:

- | | | | |
|----|------------------------|---|----------------------------|
| 1) | Mr. Joshua Wycliffe | - | Permanent Secretary |
| 2) | Mr. Sandeep K. Singh | - | Director |
| 3) | Ms. Mere Leba Senibulu | - | Environment Officer |
| 4) | Ms. Sarah Tawaka | - | Senior Environment Officer |

Office of the Auditor General:

- | | | | |
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| 1) | Mr. Kuruwara Tuisalevu | - | Director Audit |
| 2) | Mrs. Alanieta Nasilivata | - | Auditor |

MR. CHAIRMAN.- Very good morning everyone. Honourable Members we are now ready to take on today's submissions and today we are on volume one of the Audit Report on the Performance Audit and that is regarding the Management of Multilateral Environmental Agreements. Honourable Members are reminded that there is a copy of the written submission by the Ministry of Environment with us. For that purpose, we have with us today the Permanent Secretary for Environment, Mr Joshua Wycliffe, Director, Sandeep K Singh, Mere Leba Senibulu and Sera Tawaka. Also to assist us today from the Office of the Auditor General are Mr. Kuruwara Tunisalevu and Alanieta Nasilivata. Members are reminded that we have copies of the written submission from the Ministry of Environment

So PS, what we will do is we will go through the OAG Report, the special audit and we will go from the start to the end of the key findings that are on page three, and if those are covered in your submissions, then please point us in that direction and you can take us through the submission. As questions arise, we will ask you as we go along for the completeness and for the understanding of the Honourable Members, public and the media. Any opening remarks before we go to the questions?

MR. J. WYCLIFFE.- Good morning Honourable Members of the panel. My name is Joshua Wycliffe. Thank you Chair for welcoming us. We are fine with the way forward as you proposed, Chair. When we go through, just let us know where we present at what stage and we will be happy to present based on the findings.

MR. CHAIRMAN.- Thank you very much. As per the report of the OAG we note that the management of Multilateral Agreements focuses on two areas namely Implementation Agreements for honouring requirements of the MEA's and its implementation and accountability and reporting relationships. This audit is for the Department of Environment for the years 2011 and 2013. There are various key findings that are noted and then there is a summary in the later part of the report.

If I may direct your attention to page three, the first bullet point of the Performance Audit Volume One, as far as the Department is concerned, noted that there is a lack of legislation for the implementation of MEA's. What are your comments on those?

MR. J. WYCLIFFE.- Thank you Chair, and thank you Honourable Members. The response to that question, where there is lack of legislations for the implementation of MEA's, I wish to state that this is grossly dependent on the requirement of a particular area within the MEA. We have various conventions as legislation, and the protocols under these conventions which guides our operations in implementing.

The first one, which is one of those widely applied, is the Convention of International Trade of Endangered Species of wild fauna and flora. It comes under CITES and it has a requirement that Fiji have a legislation. This is to ensure the protection of endangered species of wild fauna and flora from commercial trading. It guards and protects, through Fiji's obligation, some of these endangered species because Fiji is a party to this convention and we do not allow this to be traded. Fiji first enacted that Endangered Protected Species Act (EPS Act) in 2002 and its subsequent regulation which followed in 2003. So that Act and regulation requires us to comply as a government, to that.

The Act was further updated last year, Act Number 10, 2017 and this is an Act to Amend the Engendered Protected Species Act 2002, so that is one legislation.

The second one is that the Fiji Government is a party to the Convention of Biological Diversity which is shortly called the CBD. Fiji is required to develop a National Biodiversity Strategy and Action Plan (NBSAP). Fiji's NBSAP was completed in 2005 and endorsed by Cabinet in 2007.

In 2010, the process for developing an NBSAP Implementation Framework (IF) commenced. The aim of the NBSAP (IF) is to guide and drive the implementation of ensuring Fiji's National Biodiversity is protected. The whole process also includes costing the implementation of the strategy, to assist the Ministry of Environment with the internal and external budget proposals that we put forward.

The next one Mr. Chair is the Ramsar Convention on Wetlands of National Importance. Wetlands is very important in terms of providing us its own natural way of protecting us from disasters and crisis. So, Ramsar Convention Wetlands would include the mangroves, corals, sea grass et cetera. Marshes around the sea coastal areas they play a very important role in protecting us from tsunamis and storm water surges et cetera. So Fiji's commitment through Ramsar is to protect ourselves and protect the wetland systems that come under the Ramsar Convention.

A legislation on Protected Areas include Ramsar sites is being considered by the Ministry through the Protected Areas Committee (PAC). I would just like to briefly draw the Committee's attention of recent declaration, the year of the reef in the North. What we have done is part of the declaration is also to declare the coral in Fiji's great sea reef as one of the protected sites, the second site. The Ministry of Environment is now considering having a regulation to put under this Ramsar Convention so that will then have a legal binding as well on the Ministry of Environment.

The Convention on Migratory Species requires parties to manage migratory species in particular through the protection of their breeding grounds and migratory pathways and the development of species management plans. While the Ministry of Environment provides the focal point, the Ministry of Fisheries is also an implementing partner and they are mandated to address these requirements through their policies and work programme.

So basically these Conventions, Acts and Regulations help us. Broadly speaking, the Environment Management Act, EMA 2005, also provides for the protection of environment. That is the key document that leads and guides the operations of the Ministry and it is the legislation that the Ministry operates by.

MR. CHAIRMAN.- Are you saying, PS, that there are adequate laws and legislation in place for the implementation of MEA's?

MR. J. WYCLIFFE.- Yes. Like I said, the laws and the acts are a living process and what we have today, especially if you are looking at climate change impact and the different things that are happening, they were not there 10-20 years ago. As things change around the world environmentally, we would come up with new laws, but this is what we have right now and they are adequate.

MR. CHAIRMAN.- OAG your notation in the report says that there is lack of legislation but the PS has pointed out at least four pieces of legislation dating back to 2002. Environment Management Act 2005 that predates this audit, so what is the explanation there? What laws are you after? What are you saying here that there is a lack of legislation?

MR. K. TUNISALEVU.- Honourable Chair. Maybe on Page 12, Table 4.1, provides an overview of the multilateral agreements, specific legislation and their comments are already there.

MR. CHAIRMAN.- All right. Your notation is in regards to this part here that there is no legislation for this particular, this specific conventions. Alright. Can we have a look at that, PS?

MR. J. WYCLIFFE.- Sorry. I was not able to follow, sir. Can you repeat?

MR. CHAIRMAN.- On Page 12 of the Performance Audit, there is a table, Table 4.1. What the OAG is saying that there, at that stage there were no legislation to implement these particular conventions. Convention of Biological Diversity, Cartagena Protocol on Biosafety, Convention on International Trade and Endangered Species, Wild Fauna and Flora. I think you had mentioned that.

MR. J. WYCLIFFE.- I think Chair, the International Endangered Species is well covered under the EPS Act which was enacted in 2002. But like I said, there is no end where we always look at a process of continuation of improvements and we are always after protecting our species better. At that stage, in 2002, the EPS was protecting and including even the EMA, the Environment Management Act 2005. At that stage, it was adequate and things have grown, the latest one is Ramsar, which now protects even our wetlands going forward.

MR. CHAIRMAN.- All right. So of the conventions mentioned 1,2,3,4,5,6,7, 8,9,10. The 10 conventions mentioned in that table, which ones do we have specific legislation on. I mean we understand that these legislations, these laws are living documents. They will be amended to encompass further developments. But of those 10 conventions, are you satisfied that we have laws for the implementation of those 10 conventions?

MR. J. WYCLIFFE.- Absolutely Chair. Yes. The EPS will take care of the species, both the forests as well as living animals and marine species. Also the wetlands, which is

again a major asset that Fiji holds, and dearly should hold, that Ramsar will protect and overarching all that would be the Environment Management Act, which gives sweeping powers to be able to protect.

MR. CHAIRMAN.- All right. So OAG, can you reconcile that for us, perhaps at a later date. You have mentioned in Column 2 specific legislation for Convention of Biological Diversity, you are saying there is no specific legislation for Cartagena Protocol on Biosafety; non-specific legislation, Ramsar Conventions of Wetland; non-specific legislation and the last three, Waigani Convention, Apia Convention and Noumea Convention. Can you let us know which laws, what exactly are we saying here because the PS is adamant that the current laws will be adequate to cover all these areas, if I'm getting it right?

AUDIT REP.- Yes, Honourable Chair. On the third column, there is an audit comment saying that the convention relies on several pieces of legislations that cover different aspects of conservation and the sustainable use of biological resources. These legislation include Endangered And Protected Species Act 2002.

MR. CHAIRMAN.- All right.

AUDIT REP.- That is only set on the third column.

MR. CHAIRMAN.- So there is some law there. There is a group of legislations that actually do protect it. There is no one specific legislation. That is what you are saying.

AUDIT REP.- Yes. There are different aspects and they, some they have general or no specific ...

MR. CHAIRMAN.- No specific legislation but a group of legislation like the first one can cover those areas.

MR. J. WYCLIFFE.- Can I just also further explain, Chair? It is good that we have multiple conventions and legislations because no two situations of conservation are the same. There are times when you can apply one particular convention or a legislation to a crisis, there is another convention that you could apply so like they say, more the merrier. It is better that we have more so we can apply

MR. CHAIRMAN.- Wider scope.

MR. J. WYCLIFFE.- At a given time. Yes.

MR. CHAIRMAN.- Honourable Ratu Lalabalavu, you had a question.

HON. RATU. N.T. LALABALAVU.- Through you, Honourable Chair. Yes. According to 1.3 of your submission on the findings of the OAG, you have stated here that the legislation on protected areas to include Ramsar site, is still being considered. Having heard what you have just said, the more legislation, the better, it seems there are still big gaps, big loopholes here and even you mentioned here that in order to protect Ramsar sites, legislation needs to be put in place. What I am trying to ask here is, in the absence of a legislation, and you will just have to drive down the road to see what is happening; Ramsar sites are being quickly turned and developed into development sites at the expense of, you losing out on those very important Ramsar sites. So what is the explanation that you can guide us on, on this one here?

MR. J. WYCLIFFE.- Thank you, Honourable Member and through you Chair. You are very right, it is a question of development versus protection of Ramsar Sites. So I will go to the first part of what you said, Honourable Member. You have talked about Ramsar site. Even now as it progresses. There are two sites, one, is up in Navua which is already a designated site. The second site, that we are almost about to the end of finalising and declaring is the Great Sea Reef.

But coming to the second part of what you said Honourable Member, one has to just go down the road to see how developments are taking over. While legislations and regulations under Ramsar are being developed, like I said, the overarching Environment Management Act gives protection to species as well. For example, the Environment Impact Assessment that was done. Under the EIA, there are stringent rules and many powers given to Ministry of Environment to be able to assess the level of damage whether it is a species or a mangrove, especially when we are talking about wetlands and Ramsar. Mangrove is a key wetland system and it is an asset that Fiji has. The EMA or the Environment Impact Assessment process gives us the powers to protect and make sure that mangroves are not removed or destroyed or if it has to happen, then it also gives the Ministry of Environment the power to be able push for replanting, environmental bonds. There are so many other instruments in place that will protect the species, mangrove species and of course the destruction or removal of other endangered species as well. So, in so many ways, there are legislations that can protect, but having said that, we will continue as a Ministry to work in bringing in more legislations and regulations that will protect our species. Like I said earlier, as years go by, we are not where we were 10-15years ago, in 10years time, there would be other situations that would happen, it is a living process, we will continue to work on it. As of now, the Environment Management Act does protect species and we can use processes and instruments within the Act that can protect the species, that can protect things like wetland systems that you have just now raised, Honourable Member.

HON. RATU. N.T. LALABALAVU.- Thank you Honourable Chair. Further to that, PS. You mean to say that in the absence of proper legislation, protect Ramsar sites, when The Government pushes in for development, what is the story there with your ministry? Will you still be able to plant or stop the push for development when it is against the very policies that you are having here?

MR. J. WYCLIFFE.- Yes. I'm talking for myself and the current way the Ministry is run. Yes, we are and we will. If it comes to development versus the environment, the Government, when it is the year of COP23 presidency, has made it clear and the Ministry makes it very clear that the environment will be protected. There are several instances we will continue to work where we will ensure that the environment is protected and when it comes to development there are instruments that will be applied. If it has to be replanted, mangroves will be re-planted. We are also putting in place environmental bonds to protect our environment as well. Yes, that is very true.

MR. CHAIRMAN.- Does that explain it Honourable Member? All right, we move to the next one.

HON. A.M. RADRODRO.- Verification on this audit finding about this specific legislation. The Auditor General has said that there was no specific legislation for some of these Multilateral Environment Agreement (MEA) but in the comments section, it says there are some legislations that could be partly used. So what is it OAG, that you are trying to highlight, there is a need for specific legislation for these MEA's or is the existing legislation

for the respective areas that you have highlighted enough in terms of specific legislation that you tabulated in your findings?

Is there a need to have specific legislations, say for number one – Conventional Diversity? What is it that you're trying to highlight here?

AUDIT REP.- Honourable Chairman, that is on paragraph 4.1.1, page 11. That is a requirement from the United Nations Environment Protection manual on compliance and enforcement of MEA's. According to this, they expect a national legal framework, and States should enact laws and regulations to enable the implementation of multilateral environmental agreement where such measures are necessary for compliance.

We have also provided comments there that they are also using provisions in different Acts where

HON. A.M. RADRODRO.- Mr Chairman, just a question to the Permanent Secretary regarding the need for specific legislations on the respective MEA's, and their specific Acts that are in place that partly contribute to compliance issues in the respective MEA's. Who does the monitoring and enforcement to ensure that the respective MEA's are properly adhered to, since there are existing legislations but from different Ministries?

MR. J. WYCLIFFE.- Through you, Mr Chairman. Thank you for that question Honourable Member. One of the recent steps that we have taken is we have put in place a training program for staff and officials from the other Ministries as well. It is a joint coordinated approach, between several agencies like Fisheries, Forestry and iTaukei Affairs. We are even going to the extent of working with the Land Transport Authority (LTA) officials and Police, and training them and making sure that whilst they are out and about in the community, compliance and monitoring does take place. We are training and equipping them, to ensure compliance and monitoring does happen. We are also in the process of identifying international agencies and partners who have had experience in remote monitoring and remote compliance, so that they are able to ensure that compliance is of paramount importance and reporting is done, and of course that punitive measures are taken when compliance is not seen or breached.

HON. RATU N.T. LALABALAVU.- Thank you Honourable Chairman. Permanent Secretary, if I could just take us back again to the question of legislation on protected areas which includes Ramsar sites. An example of what I am trying to raise here, Honourable Chairman, is Nawi Island in Savusavu. On the eve of the opening of that grand function in Germany where our Prime Minister was President of COP23, this development took place. In the absence of what has been highlighted by the Auditor General, which is proper legislations to protect Ramsar sites, this development took off. Now you are saying Permanent Secretary, that some of the things that are included are the replanting of mangroves and all that. We will not be able to see that in the absence of these legislations. When do you think the proper legislation covering this aspect will be able to be introduced, Permanent Secretary?

MR. J. WYCLIFFE.- Through you Mr Chairman and thank you, Sir. A very valid question, the removal of mangroves comes under the environment impact assessment process, and if properly applied, the mangroves do not have to be removed. You are right, even if I replant, it takes a few years to get back that healthy, bushy mangroves again. For one moment, I will not deny and not say that we do not need a legislation to back up Ramsar, we do need it and I will never tell this Committee that what we have will always be adequate.

That is why from the word ‘go’, I have always said that it is a living process. Climatic, environmental and bio-diversity issues have grown over a period of time not just in Fiji, internationally as well. So, as we go by, we bring in new legislation, and to answer the last part of your question, I realised that this is a 2014 issue that we are dealing with. Even as I speak, we are finalising regulations around Ramsar and legislating it, so a proper legislation will come to Parliament in terms of ensuring the systems are protected.

And like I said, the processes and exercises around the recent declaration of the Year of the Reef ensures that we put regulations in place, and I can assure this Committee that activities and exercises are there. Cabinet will be informed on a way forward and a regulation be suggested to take forward to Parliament in the next 10 to 11 months. But in the meantime, the Ministry will diligently apply the Environmental Management Act and in my opinion, that will give us enough sweeping powers to stop, and we have stopped developments. Since I have come on board in the last year and a half, I have turned down several developers who were wanting to remove mangroves using the Environment Management Act.

So, it is not a pleasant exercise especially when we do need economic development and also in Fiji, most of our economic resort development are around the coastal areas and whether we want it or not, we do have mangroves in the coastal areas. I used to say when I speak to the public, that almost every month, a situation of removing some of these wetlands gets escalated to my desk and I have to meet often a foreign investor, and of course a local partner and explain to them the importance of mangrove protection or wet land protection. What I have done is we utilised the Environment Management Act to protect it but for one moment I will not say that we will rest on that, we are continuing as I speak in forming a legislation in the next 10 to 11 months. We should be able to submit something beyond and into Cabinet as well.

MR. CHAIRMAN.- So, what we can note is that the currently the Environment Management Act 2005 is being used to stop some of those degradation, if I call it that but there is a need for a legislation specific to this particular problem, for wetlands.

Honourable Radrodro, you have a question?

HON. A.M. RADRODRO.- Yes, Mr Chairman. Just further to the existing MEA’s that are there, I see that the Ministry did not comment on the last three MEA’s that are highlighted by the Auditor General. The Waigani Convention, the Apia Convention and the Noumea Convention. Can the Permanent Secretary brief the Committee on the up to date status on these three conventions?

MR. J. WYCLIFFE.- Sure. Just give me one second, Chair and Honourable Members. Let me speak about the other conventions as well that we have. We also have what we call the Stockholm Convention, which is to provide protection to the ozone layer and toxic and like it says there, we are the second country in the world to ratify the convention.

The convention entered into force in May 2004 and it actually protects human health and the environment from Persistent Organic Pollutants, and a group of chemicals that had been widely used in the agriculture pesticides and industrial chemicals and practices and also those gaseous substance that are let into the air around the globe through these substances. Through this convention, we are able to ban the use and the trade of this chemicals and are able to ensure that the ozone layer depletion is protected as well from this.

The Waigani Convention is also something that protects us from the bringing in of Hazardous and Radioactive Wastes, and also helps us protect this from being imported, re-exported or sold through trans-boundary trade that happens.

It is important for our region because it provides us with an effective mechanism to stop waste traders from making the South Pacific as an international dump. Other countries could send scrap materials into our countries and because of economic considerations, our traders here are tempted to import them. This convention allows us to protect ourselves from that and it also facilitates the clean-up of hazardous materials and the radioactive wastes, if any within the region as well.

The Vienna Convention is the protection of our ozone layer and the benefits from this convention includes the scientific exchange of processes and exercises, across the border intelligence that can be dealt with. So we can talk through and look at new processes and also new developments that we can put in place by information sharing and knowledge sharing.

The last one there is the Montreal Protocol and again that protocol is based around the Vienna Convention. It helps in the successful reduction of global production or consumption emission of ODS, and the prevention of millions of cases of Melanoma and cancers and eye cataract issues. It is directly linked to the health and the emissions of ODS substances as well.

The emissions of potential greenhouse gases and how it protects the global climate system is also protected and helped through the Montreal protocol. These are some of the other protocols that I have added to what has already existed and what was already mentioned.

Sorry Chair, we have what is called the ODS Act which supports this convention, which again protects us from classifying some of this materials as Hazardous especially from our air-conditioners and refrigerants that we use.

HON. A.M. RADRODRO.- You did not mention anything about the Apia Convention and the Noumea, but you mentioned Waigani.

MR. J. WYCLIFFE.- That is the Waigani Convention?

HON. A.M. RADRODRO.- Right, and the Apia Convention and the Noumea Convention?

MS. S. K. SINGH.- If I may through you Chair, the Apia Convention and the Noumea Convention are regional conventions that we are a member of, a party too, so we work through the regional organisation; the Secretariat of the Regional Environment Programme (SPREP) to implement some of the programs under those.

MR. CHAIRMAN.- What does the Apia Convention aim to achieve or what is the convention about? Like the Noumea convention is on the protection of natural resources and the environment, what about Waigani Convention and Apia Convention. What are those about?

MS. S. K. SINGH.- I will ask my Acting Principal Environment Officer to respond to that.

MR. CHAIRMAN.- Yes, please.

MS. S. TAWAKA.- Thank you Sir. Chair and Honourable Members, my understanding is that the Waigani Convention deals with the trans-boundary movement of hazardous waste. It is something similar to the Basel convention. Basel is the parent convention but Waigani mostly deals with the Pacific Region, so most of the Pacific Island Countries are parties to the Waigani Convention. It is just there to protect us from the impact of hazardous waste from trans-boundary movement. When it comes through the border, there are procedures that need to be followed before each country can give their consent to allow for any trans boundary movement of this hazardous substance or hazardous waste to come into or even transit through the country and move out of the country as well.

MR. CHAIRMAN.- The next one Apia Convention, this is the same as?

HON. A. D. O'CONNOR.- Chair if I may contribute.

MR. CHAIRMAN.- Yes.

HON. A. D. O'CONNOR.- I am familiar with that because I was the Manager Training for Environmental and Health in Origin Energy Australia. Those are regional conventions as they rightfully say. It was the trans boundary movement of particularly the atomic nuclear weapons to Mururoa Atoll.

MR. CHAIRMAN.- Which one is that Waigani or Apia?

HON. A. D. O'CONNOR.- Waigani, Apia and Noumea, they are all regional conventions.

MR. CHAIRMAN.- So all three on trans boundary movement?

HON. A. D. O'CONNOR.- Trans boundary movement of nuclear waste and so forth.

MR. CHAIRMAN.- Within the Pacific right, is that understood Members, will you be okay with that.

HON. A.M. RADRODRO.- Chair, just an additional supplementary question on this MEAs that are in place. Can the PS just inform the Committee regarding the process on the commitment taken on this respective MEAs that have been legislated for government to comply with. What is the process involved? And especially now that areas have been highlighted, no specific legislation in place. So what is the process? Why do we have to take those commitments when we do not have this legislation in place?

MR. J. WYCLIFFE.- Thank you. Through you Chair, thank you Honourable Member. I will first highlight, what process is followed, as per your question, and then probably that will indirectly lead into the second part as an answer.

So when we have a convention it obligates Fiji your right, and then when it obligates Fiji, we ensure that it is the reality on the ground. Reality on the ground being compliance and monitoring and making sure it happens. So when it's compliance and monitoring then the law has to be in place and that is where you ask your question on Legislation.

So between the convention and the law, there is a process that leads the convention making it into law. So that is exactly where we are in Fiji, most of these conventions have

laws that support them. Ramsar is atypical example that you have been discussing, which is known the process of becoming a law. Now in the interim, we as an obliged nation to the convention, cannot let slip of our obligations.

So what we do is to start with strategies including and this happen few other things that are in place which helps put them in our strategic plans, operationalise them on compliance and monitoring. And so if there are breaches then what we do is we utilize the support of other legislation that are related to ensure this happens. While in a parallel basis also built towards the legislation under this convention.

In so many ways, I can say that, a breach in one convention or a breach seen in one convention through an Act of human activities or trade activities, is protected through another legislation while a legislation has been drawn up, so that is the process. So the processes that will and we are, even as we speak building into a legislation into one protocol or a convention while we make sure monitoring happens and breaches are dealt with using the other available existing legislation.

HON. A.M. RADRODRO.- Chair just a question of interest for the Committee.

On these specific legislations, we note about the ship that sunk in the harbour and has been there for more than 12 months now. So, who is responsible for this specific incident?

MR. J. WYCLIFFE.- Thank you, Mr. Chair and Honourable Members. Another very pertinent question. I wish to refer the Committees' attention to what I had said few minutes back. These conventions are a national obligation and I do not want to pass the buck, but I would say that it is a coordinated approach amongst multiple agencies.

MSAF is the key lead agency that take care of such accidents and incidents but the Ministry of Environment and a protective layer of other agencies will strongly and closely support them in this type of exercises.

MR. CHAIRMAN.- Thank you, Members. Thank you PS for that detailed explanation and we are now aware of where we are going in those areas.

Let us move on to bullet point 2 on Page 3 ; Absence of extending operating procedures to outline the processes and how a task used to be implemented? What is your response to that?

MR. J. WYCLIFFE.- Thank you, Mr. Chair and Honourable Members. When the audit was done, it is true that the Standing Operating Procedures were not in place to the international standards that are required. However, I can assure this Committee that we have finalised. We actually started this work a year ago and it is almost complete. When I say almost completed in this year's Strategic Plan, I mean the SOPs are being implemented. There are Standard Operating Procedures, examples of those are mentioned also there; the tabua permit process; the cities registration of companies; and MEA Internal Report Alignment. There are different areas, templates and SOPs that are mentioned in the report. We have linked these SOPs to the Acts, Regulations and the existing conventions.

MR. CHAIRMAN.- Members, are you satisfied that the PS has agreed that at that time of the audit there were no SOPs?

MR. J. WYCLIFFE.- There were procedures though but lacked international standards so in the last year and a half to two years, we have put them in place and there are some examples down there.

MR. CHAIRMAN.- Alright, process now.

HON. A.M. RADRODRO.- Just a question to PS. One of the findings of the OAG is the lack of handing over when people resigned or moved on to other specific areas. So, how has the ministry tried to develop strategies to counter this lack of handing over so, there is no gaps within.

MR. J. WYCLIFFE.- Thank you, Mr. Chair and Honourable Member. Again a very pertinent question, thank you for that. That just shows the challenges we face with business continuity, they call it BCP. When things changed, the handing over process has had issues. Some of the key things we have done, is utilise the existing knowledge base within the department and within the ministry. It has been a long process, but that is one of the reasons why we have a firm process as well, because we have made sure that the existing knowledge kept within the department is utilised. So, in the absence of handover:

- i) We have been able to use that captive knowledge within the department to give a business continuity into building up of this SOPs.
- ii) What we have also done Honourable Member, is that we have brought in specialist consultants and also recruited staff who have had international best practice standard experience to utilise their knowledge and compare what we have to international standards and make sure our SOPs reflect international standards while having the base knowledge from within the ministry.

MR. CHAIRMAN.- Thank you PS for that.

HON. A.M. RADRODRO.- If there are other people that you put in place, resign, how do you ensure that monitoring is in there?

MR. J. WYCLIFFE.- Thank you, Sir. Again, a very good question. How we have gone about with that is through our performance plans and our KPIs. The performance plan that we are putting in place ensures that we have a learning and development plan for every staff that we put in place. The LAD programme ensures BCP and the career path. So, along with the career path plan and the LAD programme for each staff, they learn and emulate the steps already being taken by the seniors. When they come into place they sure are able to apply what they have learned.

Secondly, we have also gone into a digitalisation transformation programme where we capture and have it in store on the process and the improvements that we are doing. So, that is the process that we are now undertaking as a part of the ministry wide, e-tracking, digital issues. This will record, monitor the progress made on each process. It will also give us an opportunity to continuously monitor the flops and the gaps in the processes that we are following and then fill those gaps and rectify them as well.

MR. CHAIRMAN.- The second paragraph of Page 14, of the Audit, Paragraph 4.2.3, noted that there were no SOPs in place for eight out of 10 agreements, you have mentioned nine SOPs now that are in place. So, which one is not covered? You do not have a SOP for which of these 10 agreements?

MR. J. WYCLIFFE.- Thank you, Chair. Superficially, looking at it I can say that a couple of them are actually combined and that is how it makes up for the numbers. Especially the one that talks about awareness programmes and campaigns, which covers that, and the trade under the EPS Act and also the registration process. One of those things that we are now continuing to work on is the Environment Management Act because that is the overarching Act, so the combination of all of these will fit in to the EMA because EMA protects all of them.

MR. CHAIRMAN.- So, we take it that those nine SOPs covers all.

MR. J. WYCLIFFE.- Covers the SOPs of the operations.

MR. CHAIRMAN.- Thank you very much. Let us move onto the next bullet point on Page 3: Non-existence of national plans for the EMAs. So, we have heard about the legislation, SOPs and now we are talking about the National Plans.

MR. J. WYCLIFFE.- Thank you, Mr. Chair. Can I request the Committee to go back to my response on Point 2 of the first finding that was raised, in terms of lack of legislation. It is mentioned there that Fiji is recorded Develop National Biodiversity Strategy (NBSAP) and Actual Plan.

In Fiji, NBSAP was completed actually in 2005 and it was endorsed by cabinet in 2007. From there on in 2010, the process for developing the implementation framework is also in place. So, the process of revising the NBSAP is ongoing and the costing has been placed and we are also currently working on a National Environmental Strategy, which is part of this as well. The Environmental Strategy will also cover the conventions and the obligations and how it is operationalised in everyday operations nationally. So, the NBSAP and the environmental strategy are two strategies. NBSAP is already in place.

MR. CHAIRMAN.- So, there are some work being done on the formulation of a National Plan but there is one that is in place

MR. J. WYCLIFFE.- Yes, NBSAP.

MR. CHAIRMAN.- Honourable Lalabalavu.

HON. RATU N.T. LALABALAVU.- Through you, Mr. Chair, just a point of clarification. PS, you are talking about time and the explanation you have just given in 205 and 207. The question that I would like to raise and if it is possible for you to update us, that is the time element. Do we have the capacity in the Ministry or is there something that is very much needed to quicken the time, otherwise, it will still be going through the time when everything that we are supposed to be taking care of will vanish before our eyes? Thank you.

MR. J. WYCLIFFE.- Thank you Sir, for that question, appreciated much. When I took over about a year and a half to two years ago, that was one of the key concerns I looked at, especially the span of time. What we have done is, you are right, the capacity to do everything and all things at immediate, implicitly is a big challenge. But on the other hand, we have international NGOs and other partners who come in to support us like, SPREP, IUCN and a few other organisations.

What we have done this year, there is another one that I forgot to mention is the National Waste Management Strategy, and under the National Waste Management Strategy

for an example, if I use: time is of the essence. What we have done is we have finalised a partnership with an organisation overseas called Terry and they will fund the finalisation of the strategy and the implementation framework in ensuring that this strategy is in place within the next eight months. That is the timeframe that we have given them.

So, all our implementation plans are in the form of frameworks and of course the performance of the Ministry is now with deadlines. So they follow the deadlines and this concern in gap is met there with a regular review. In terms of your question on capacity, where there are capacity gaps we do work with international organisations. Thank you, Sir.

MR. CHAIRMAN.- Yes, any more questions?

HON. A.M. RADRODRO.- Mr. Chairman just a question to the PS. The audit has also highlighted the absence of the National Chemical Management Plan, can we get an update on this, whether you have condition in place or what is the status now?

MR. J. WYCLIFFE.- Thank you Sir, can I request the Principal to respond.

MS. S. TAWAKA.- Thank you Honourable Member, some of these project activities fall under the Stockholm Convention and in order for us to implement some of the activities, we need to first of all sign the project agreement with United Nations Environment Programme (UNEP). So when the project started a few years back, we were trying to get this agreement sorted and we had been liaising with UNEP and also with the Solicitor General's Office to try and get the Project Corporation Agreement signed before we can actually review the National Implementation Plan (NIP) for our country.

The plan actually outlines all the activities that cover the management of POPs chemicals. So on the 21st of December we got a response from the Solicitor General's Office so we are working on putting our submission to Cabinet soon to get their endorsement for the signing of this Project Corporation Agreement before we can actually implement all the project activities, one of which is the updating of the National Chemical Management Plan. Thank you.

MR. CHAIRMAN.- Thank you for that explanation. The fourth bullet point:

Diversion of funds for the implementation of NIP for this Stockholm Convention.

In the narration there is that article (7) of the Stockholm Convention requires that each party should develop and endeavour to implement a plan for the implementation of this obligation under this convention and review and update as appropriate this implementation plan on a periodic basis in a manner to be specified by decision of the Conference of Parties.

The audit found that despite the funding provided by the Government to the Department of Environment (DoE) for the NIP of the Stockholm Convention, no commitments were made for the review and update of the National Implementation Plan. The audit, however, noted that these funds were used for other purposes not related to the intention it was specifically allocated for. That is the concern of the Committee, can we have some explanation on that please?

MR. J. WYCLIFFE.- Thank you Chairman. It is true that the NIP was incomplete. It had not been completed on time as it should have been. It was also outdated, so the process was not complete. However, like I said, even as I speak now, we are in the process of

updating it. We will ensure that the NIP is in place before the end of this fiscal year, and the implementation framework is also put in place.

MR. CHAIRMAN.- We understand that point PS, the NIP was at the development stage. The question was that the funding that was allocated to the Director of Environment for the NIP of the Stockholm Convention was used elsewhere.

MR. J. WYCLIFFE.- The information that I have Chairman is that it was utilised towards training and awareness.

MR. CHAIRMAN.- Of the same programme?

MR. J. WYCLIFFE.- Of the same programme that was what my understanding was.

MR. CHAIRMAN.- OAG, your notation here is that, and you have mentioned that in table 4.4; Diversion of funds allocated for NIP for this Stockholm Convention, 2013, airfares for Minister and the Acting Deputy Secretary to India; provision of transportation during the Pacific Islands Conference, purchase of air tickets for Minister to travel to Nairobi for UNEP Seminar; air tickets for Minister and PS travelling to Nairobi, Kenya; UN Sustainable Development Conference Per diem allowance, Honnin Kwonsing; air tickets for India trip; Taina.T and Sarah T; air fare for the Fiji delegation to Solomon Islands for the Pacific Expanded Constituency Meeting. Were these funds used for the purpose of the Stockholm Convention or for the NIP?

MR. J. WYCLIFFE.- Can I just say, these funds for the NIP programme can be linked to some of the programmes you have mentioned specially the Nairobi one and the India ones are towards the implementation. Nairobi and Kenya is UNEP related. The \$50,000 was provided on an annual basis from what I can see from the knowledge and information from within the Ministry. That is basically how much I can confirm from my end.

MR. CHAIRMAN.- From knowledge?

MR. J. WYCLIFFE.- Yes, knowledge, information sharing and awareness.

MR. CHAIRMAN.- All right. There is further notation on paragraph 4.4.4 which says that:

The audit also noted that the Department failed to appropriately monitor and report on the progress made with regards to the implementation of the convention for each year the budget was provided. So while some of these travels might have been for those training purposes, the Department failed to monitor and report on the progress made in these conventions. So what is the story there?

MR. J. WYCLIFFE.- Like I said, initially, that at that stage the reporting was not very clear and so there was no handing over as well there were handing over issues from the previous regime of the Ministry to the existing regime. What we have done, I can speak for what has been done now, is that we have put stronger reporting structures.

We make a report on a weekly basis so we have better financial as well as reporting controls on the activities that are undertaken by the Ministry. Stringent rules are placed now so that we have better control and we are able to report better.

MR. CHAIRMAN.- So do we understand now that if a particular fund is allocated for a purpose like in this one NIP and Stockholm Convention and if some travel is made it is for that particular purpose?

MR. J. WYCLIFFE.- Yes, and we strongly ensure that we will go ahead and any difference, any changes we have, we follow the protocols that have to be followed, the Government protocols.

MR. CHAIRMAN.- For any virement of funds, you follow that?

MR. J. WYCLIFFE.- Yes, we follow those processes closely now.

MR. CHAIRMAN.- Any questions Members on that?

HON. A.M. RADRODRO.- Question to PS in terms of provision of such funds, does it also include incidents of this nature where Ministry officials and staff are required to travel to such places where it is also covered under this allocation?

MR. J. WYCLIFFE.- Thank you Chair, again as I speak on what we are doing now, we are very particular, travel is travel. I can say that since I joined the current regime, travel is strictly travel.

HON. A.M. RADRODRO.- (Inaudible)

MR. J. WYCLIFFE.- NIP, no we do not use it from NIP and most or 99 percent of our travel comes from agencies who support and fund the travel.

MR. CHAIRMAN.- Let us move to the next bullet point, number five:

Lack of alignment between individual and organisational strategy:

MR. J. WYCLIFFE.- Should I respond Chair?

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- Thank you Chair. It is in my information, going back three years, the requirements of the Convention on Biological Diversity (CBD), the Ramsar Convention has always been aligned to the Ministries and Departments' planning process. When I say planning, it means corporate planning, which include strategic plans or operational plans and also builds into the KPIs. So apart from the Annual Corporate Plan, the National Biodiversity Strategy and Action Plan (NBSAP) consolidates the requirements and makes sure that the strategy is aligned to these conventions. That is how it has been.

Again going forward, what we have done is our strategies are double checked or it goes through three layers. We also have external input monitoring into the strategic planning that we have. So the process ensures that it is kind of full proof because it has the opinions and inputs from outside as well as from what we internally do. So if there were elements of such findings that have led the OAG to comment, that is removed now. We have got three layers of guarding, but in my opinion, from what I have seen internally at that stage, there was alignment for these that I have mentioned: Convention on International Trade of Endangered Species (CITES), CBD and Ramsar. Whatever gaps were mentioned there, we have now filled it through our planning process.

MR. CHAIRMAN.- I understand that with the planning process, you have now captured this mischief of no alignment, and I also appreciate the fact that you were not there at that time of the period of audit in 2012 and 2014. But there are some points of audit that are noted here by the OAG, and which are of interest to the Committee. I will highlight it and if you have any responses to those, I recommend we would like to hear those especially the one on Page 18 of 4.5.3.

Audit review of the agencies Annual Corporate Plan (ACP) found that strategies relating to the implementation of environmental agreements were not clearly defined for the years 2011 and 2013, despite being indicated as one of the agency's output. The 2012 ACP, however, clearly outlines the Departments output strategies, KPI's, targets and relevant timelines for each of the agreement managed by the DOE. Is there any explanation on that? I understand that it is now under control?

MR. J. WYCLIFFE.- Yes, now I fully agree with those findings and that is the reason why we have put better processes in place now.

MR. CHAIRMAN.- All right. Apart from some other conventions mentioned at 4.5.6, it is noted that at the time of the audit the Apia Convention was still yet to be allocated to a unit within the Department for national implementation. Interview with key officers noted Fiji's participation in regional meetings for the convention, however, there were no reports prepared on the progress of national implementation of the convention. There are two points here:

- No Departments allocated the Apia Convention for implementation;
- The progress reports of the implementation is not there.

MR. J. WYCLIFFE.- I agree with that and what also seems to have happened during those times was there was this unit called Resource Management Unit (RMU). I am thinking three to four years ago, when the Department was still a department and it was at a level below the current structure, the wisdom probably behind that, which probably was not great but what existed at that stage was to allocate two or three minor conventions under one unit, Resource Management Unit.

Again the nuclear significance for this region are in terms of waste, which is more important than welfare so it has great significance in terms of nuclear waste. As a regional block, we do not support nuclear activities, so at that stage in 2014, it was looked at as perhaps some minor convention and they just put it under conservation with the RMU and make sure that it is taken care of by the RMU.

However, the strategic plan and the operational plans, after that, have covered operations and KPIs that reflect this separately.

MR. CHAIRMAN.- What sort of strategies do you have in place now to ensure that if there is a convention, it is allocated to a particular department and then the reporting is done on this implementation?

MR. J. WYCLIFFE.- Yes, thank you Chair. How we go about this is that, there is a strategic plan and an extra form to work with, which is the KPI form. Every activities under the convention have a KPI, an outcome and the deadline. So you have the objective, the activities, the next column which is clearly linked to the objective of the convention and then

the outcome. So if they do this towards that, what is the outcome and before when. So that is the process we put in place for every convention in place.

MR. CHAIRMAN.- It is in place now?

MR. J. WYCLIFFE.- Yes.

MR. CHAIRMAN.- Members? All right, let us move to the seventh bullet point:

Failure to adequately conduct education and awareness on the MEAs.

I know from your previous responses that there have been some sort of awareness programmes implemented.

MR. J. WYCLIFFE.- Should I response to that?

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- Chair, as noted here, the educational awareness programmes have been organised. One of those things that the Department has traditionally done, is utilised days of commemoration and raised awareness around them. For instance, you have environmental week, and I am going to say that how it was, and things are different now, but I will go back to what it was. So we cannot say that it was entirely absent but it was present around commemoration of a particular day, for instance, if you see I have highlighted a few like the World Biodiversity Day, World Wetlands Day. We also have another example, the Environmental Week.

Globally, however, that is not how it is done. Awareness is not just a one time or once a year option. So I agree with OAG there that awareness is ongoing because awareness otherwise lacks its lustre if it is just done once in a while. So what we have done now, is we have put an ongoing awareness programme, like for instance, if it is an awareness on climate change and the impact it has on biodiversity, we utilise that to roll out adaptation issues through all our Municipal Councils.

We have also worked around Ramsar, for instance, an awareness of Ramsar throughout activities that we do. So the plans are in place and it is not just a one off awareness campaign but an ongoing sustained promotion and awareness campaign that goes around. Campaign does not have to be just going around in schools distributing pamphlets like it used to traditionally happen.

We have other ways and means of doing it, like roll out and ensure that when there is an international event happening, we work around that event. Also work through newspaper ad campaigns. I am sure Members have seen recently more media awareness programmes so it is not just around a particular time of the year but also ongoing media ad on newspaper, radio and television.

MR. CHAIRMAN.- I take that point PS, just two questions arising out of that. Are there any plans to have the awareness program included as part of the school curriculum for students on an ongoing basis?

MR. J. WYCLIFFE.- Yes, Chair, thank you for that. We have an MOU now with the Ministry of Education to be able to include that into the awareness programmes of schools.

MR. CHAIRMAN.- There is an MOU. Secondly, when these investors come in, I do understand that you have awareness programmes for stakeholders such as the environment, police, LTA also, when they apply for a business licence or when they apply for foreign investor's certificate, do you have an MOU or do you have some sort of arrangement with Investment Fiji that they are educated on what they can do and what cannot do.

MR. J. WYCLIFFE.- Good question, chair. One of those things that I have failed to mention during my previous response was as part of the awareness and the training is that we have now designed this year, what we call, a round table. A business round table or trade round table for the north, the west and central. The one that we are going to be running in the central division; we have 60 businesses already enrolled wanting to attend this trade round table and that is where we raise not just awareness but we educate investors on trade.

As far as working with Investment Fiji and the Ministry of Trade, there is a joint committee that was formed to review all licensing applications. When investors come through with their specific requests, representatives from each ministry sit on that committee and discuss and educate the customer in terms of the requirements and the impacts on the environment. We also have specific guidelines that we provide the trade with when they come in with their applications as to what is required, and it is quite educational, not just a simple checklist. This document provides you with the requirements and the logic behind these requirements. Another model that we have put in place is, we specify to officials who sit with these investment people to make it investor friendly, in that we handhold them and give them knowledge and the information that is required. It is not just putting rules in place but also explaining to them why these rules are in place now.

MR. CHAIRMAN.- Now, why I asked that question was, while driving up to Suva yesterday during the day, I noticed a particular resort development on the coast just as you pass the Golden Point Resort in Rakiraki. There is some excavation works going on and some destruction of mangroves there. Do you know if they would they be part of a lawful development within EIA or is it something that they are not aware of?

MR. J. WYCLIFFE.- Before making a statement, I would rather check and give you the full picture. To the best of my knowledge, every major development that comes through our books, we should be aware of it. However, if we find that they are unlawful, there is a process in place we have now even started referring it immediately to the DPP's office. People who do not have permits and unlawfully do it, we get a stop work straightway the next day, and once the stop work notice is issued and they do not comply, it is then referred to the DPP's office. Fines can be over a million, immediately and on the spot.

MR. CHAIRMAN.- I understand that. Do we have something like the environment police here with the department?

MR. J. WYCLIFFE.- We would love to. We do not. Actually, the legislation does not allow us to police.

MR. CHAIRMAN.- All right.

MR. J. WYCLIFFE.- The legislation allows us to inspect and then hand it over to the law protection agencies. And that is how, that is the case all over the world. Independent departments and environment ministries do not have policing powers but they do have better coordination.

MR. CHAIRMAN.- With the ...

MR. J. WYCLIFFE.- With the other enforcement agencies.

MR. CHAIRMAN.- Honourable O'Connor, you had a ...

HON. A.D. O'CONNOR.- Yes. Just wanted to ask the PS, through you Chair. You mentioned about the scanning that goes on for people wanting to invest here. Is that program still on with the one-stop shop that MITT launched about three years ago, 2015-16?

MR. J. WYCLIFFE.- Thank you, sir.

HON. A.D. O'CONNOR.- MITT launched the one-stop shop with customs, immigration, yourselves and Investment Fiji.

MR. J. WYCLIFFE.- Thank you, sir for the question. It is the same committee that I was referring to. It gets sharpened all the time and that committee is still in place, it is a one-stop shop. To that extent, we are currently looking at the ease of doing business to be included in this program as well. The Ministry of Environment is a key contributor along with the Department of Town and Country Planning. What we do is, put in a digital transformation towards this whole program. The one-stop shop raises awareness too so that is an additional instrument that goes towards raising awareness and educating investment groups when they come in to invest.

MR. CHAIRMAN.- Thank you.

HON. A.M. RADRODRO.- Yes. Chair. Just a question to the PS in terms of your awareness. Your involvement with various stakeholders. Just a question regarding gender involvement. Does your ministry take into consideration the gender participation in terms of awareness of the respective MEAs?

MR. J. WYCLIFFE.- Thank you, sir. From the Permanent Secretary's point of view, how I monitor is based on the overarching Ministry's strategic plan which is gender sensitive. In-fact, we are moving into gender sensitive budgeting as well. A while ago, we were discussing about overall gender participation but now the gender involvement is even to the extent of ensuring that gender equality is towards our invitations. We make sure that people contribute and participate with gender equity. When we allocate finances and resources we ensure that we do reflect gender balance. We can see that our Director is a lady and the Permanent Secretary is a man, so we make sure that the Ministry has an input in diversity as well as in gender. You know that is able to give input into knowledge and that varied senses of experiences from both the genders. So yes, we are gender sensitive towards all that we do.

MR. CHAIRMAN.- Thank you for that. Let us move on to the next bullet point and that is failure to conduct timely and appropriate reviews on the MEAs.

MR. J. WYCLIFFE.- Thank you, Chair. Yes, reviews have been a challenge to the Ministry in the past due to manpower limitations. Like I said, this ministry has operated under different ministries as a department. It has now become a stand-alone ministry. The failure to conduct appropriate reviews is that, I would not say there was zero review, I would say there were reviews done but the reviews were not entirely complete and up to global standards. However, what we have done now is this fiscal year, we have now become a

separate ministry on our own and we have enhanced our recruitment processes, bringing in resources that can strengthen our reviewing and reporting processes. Some of the tools that we have used is, weekly reporting processes. They are being reviewed and we strongly insist that reporting procedures are followed, so we review it right there and then. We do not wait for the business quarter or half the year and review and then rectify. We do it from a weekly point of view, however, there will be instances when we can work better and we will continuously look towards improvement.

MR. CHAIRMAN.- Thank you. That is noted. The next bullet point, more capacity building is needed for the MEAs.

MR. J. WYCLIFFE.- Thank you Chair. Going back to 2014, I agree with the OAG that capacity building was required. However, one of those things I would wish to state to the committee here is that, the Ministry of Environment gets the most opportunity within the wider ministry with local government and housing. It gets the most exposure that any ministry can get and it is a question of capturing that exposure and knowledge they get, especially through international means and then being able to do two things: one is to apply it; secondly, to be able to make it significantly obvious including to people like the OAG when they come in for audits. I think being able to say that openly and show how much of an exposure they have, how much of capacity they have built. Like for instance, most of our top tier three staff hold Masters' degree, majority of them are qualified internationally, holding international knowledge and are being able to apply it. I say this from my own experience globally working in other countries, I find the Fijian staff have had a lot more exposure to international standards as compared to some other countries where they lack that. I would partly disagree with the finding. Even in 2014, the Director was returning from abroad with a Masters qualification, some of the staff at the Principal level already had Masters qualifications from international schools. Even as I speak I think I at least have about three or four staff who are pursuing studies internationally. I think the means is not lacking in capacity building, it is a question of how they applied it. How that is propagated and shown to the external agencies that we do have staff that have the capacity and the Ministry has the capacity and the means to be able to apply that.

MR. CHAIRMAN.- So, OAG do you recognise the fact that when you mentioned that there is a lack of capacity and more capacity building is needed. At that time there were staff adequately trained and qualified with international experience to handle the tasks given to them?

AUDIT REP.- Honourable Chairman, through you, the issue raised here is that these capacity are needed to ensure and enhance compliance, and meeting the obligations under the respective agreement. This issue is on bullet point 4.8.1.

MR. CHAIRMAN.- Where exactly is the explanation?

MR. J. WYCLIFFE.- Sorry, Sir. I did not get you.

AUDIT REP.- The capacity that I am referring to here is to enable them to implement and enhance compliance through the agreement.

MR. J. WYCLIFFE.- All right. Thank you Sir, I agree with that when putting into compliance and place. Again capacity in terms of knowledge is not the situation, capacity is there in terms of knowledge. When it comes to capacity, we define them as people, processes and systems. Under the system's capacity, Fiji as a nation needs a lot more resources. I will

give an example, any of these conservation compliance would be, let us say iguana. We need to comply in terms of Fiji's iguana to protect and conserve the species. I am told the last few hundreds of Fijian iguana remain in the whole world, very precious little animals that we need to protect. It is not up to me to comment on another agency but there are gaps, I mean, Fiji has 333 islands and for people to come and steal our iguanas and leave is a lot easier as compared to a land-locked nation.

The resources to monitor and ensure compliance that these iguanas are not smuggled out, not only requires a coordinated approach but systems in place, like you know, satellite protection, patrols and things like that. We do have surveillance issues in terms of protecting some of these species, and if you are putting these species under some of these conventions like the Endangered and Protected Species Act 2002 (EPS), surveillance and resources are lacking if you have to protect iguana's. Of course what we have done to fill those gaps in the last two, three years are technical workshops. The number of workshops and technical expertise sharing has improved. We have spoken at conventions, meetings, conferences and workshops and have learnt how other countries protect their species and how their challenges are met. In terms of man-power and systems, we have a lot more coordinated approach, especially surveillance. That would be an area of capacity that requires strengthening.

MR. CHAIRMAN.- The next bullet point is somewhat related – Lack of in-house and capacity buildings for MEA's. I think you have adequately answered that question.

MR. J. WYCLIFFE.- I think we have always had adequate exposure, in fact we even have to sometime streamline them and turn down some requests.

MR. CHAIRMAN.- The next one seems to be a management issue – Adequate management is needed to handle the tasks.

MR. J. WYCLIFFE.- Thank you Sir. Again I do not want to pass the buck as to how it was those days with the management. Management is a relative issue and a subjective topic. What I can say though is, I have shared with this Committee that over a period of time, we have improved. We have done restructuring, so we can have better control over how conventions are applied and monitoring and compliance are put in place.

The most recent one in this year's fiscal budget is we have agreed for 14 year positions, tier three positions that will come into place to ensure that the management has put resources in place, to ensure that these obligations are complied with.

MR. CHAIRMAN.- A question of interest Permanent Secretary, what is the organisational structure currently with the Department?

MR. J. WYCLIFFE.- Chairman, it is changing. It is under a restructure as of now. The Ministry is of course under the Permanent Secretary, headed by the Director of Environment. Under the Director of Environment you have Principal Environment Officers, and under them are the Senior Environment Officers and under the Senior Environment Officers you have the Environment Officers. However, what we are doing with this 13, 14 year positions is that we are streamlining and putting a lot more focus to our conventions and obligations monitoring. Both parts of the operations come out of this conventions, as these conventions help Fiji protect the environment. If we can put our resources into that, like how we are doing now, that will ensure that it is protected and in compliance, a lot more than what it was three years ago.

MR. CHAIRMAN.- So I there a particular officer, a particular director or a department that handles all the conventions or is it distributed evenly?

MR. J. WYCLIFFE.- It is distributed across the different units.

MR. CHAIRMAN.- All right members those were the first ten bullet points, there are about seven others after that, which we can look at now. We have another Ministry from 11 am, so what do you suggest? We defer that meeting, we can advise the Ministry for Local Government, but that is almost the same team, what do you suggest Permanent Secretary?

MR. J. WYCLIFFE.- Sorry, Chairman?

MR. CHAIRMAN.- We also have the Ministry for Local Government here, are you also addressing there?

MR. J. WYCLIFFE.- Yes, I will be there as well, they are waiting.

MR. CHAIRMAN.- All right. So we finish this one then take a break for that?

MR. J. WYCLIFFE.- I mean if you have the time available, we can finish this and then do that as well.

MR. CHAIRMAN.- I was wondering whether your staff will be there waiting.

MR. J. WYCLIFFE.- I can let them know to wait or go and come back.

MR. CHAIRMAN.- So we will quickly finish these six bullet points, take a short break and then start with the other one?

MR. J. WYCLIFFE.- Sure, Sir.

MR. CHAIRMAN.- Accountability and reporting relationships; lack of commitment noted at the COP. This is an important one.

MR. J. WYCLIFFE.- Again, I beg to differ but probably from my current experience. In the last two years, there has been only one COP missed, but then that COP that was missed was interrelated to the Climate Change COP that we had. Again I am not able to comment on how it was in 2014. But I can say we are committed to COPs and we do go to COP meetings and we make interventions at the highest level, from the Permanent Secretary to the Assistant Minister. We attend the COP meetings and the Minister has attended as well.

MR. CHAIRMAN.- OAG, what was your reasoning for noting that there was a lack of commitment noted at the COP as at 2014?

MR. J. WYCLIFFE.- Mr Chairman, can I just jump in, there is one more thing?

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- I wanted to give a good example to show our commitment, for the first time ever in the history of the entire CITES (Convention on *International* Trade in Endangered Species of Wild Fauna and Flora) for the last 50 years, Fiji was the first country to be able to build a strong collision of partners who supported in classifying all our shark

species as protected species. You know to build an entire coalition, EU stood behind Fiji and Eleni, our Principle Officer, was able to build that coalition of multiple governments all at once. Fiji is not just about friendliness and our cultural approach, but also the engagement at COP, would not have happened if she just goes and sits in the COP overnight.

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- The engagement and work with the COP through the year helped Eleni to go to that final point and was able to push that through. We got widely applauded and that is something really good, looks nice on the CV of the ministry.

MR. CHAIRMAN.- So this coalition of partners, is it just for the protection shark species?

MR. J. WYCLIFFE.- That was just one example, yes. We have shark, trees, forests, the different species that we have. We also have CBD biological diversity, we have a COP there which I chair. We also have other areas in the COP and we also work in the GEF, which is similar to the COP. GEF is the Global Environment Facility and it is similar to the COP. It is mostly to do with funding and it is an international obligation to be met in terms of bio diversity protection.

MR. CHAIRMAN.- The next one, 'The information from the COP needs to be disseminated to stakeholders regularly.'

MR. J. WYCLIFFE.- Thank you Chair. As per my information, the reports after a trip that I made, are there. How they had been disseminated in the past probably has been found wanting. How we do it now is, we have a train that trainer the model where if one person goes to the COP, it is then shared during the heads of the units meetings through the stakeholder meetings.

Back in 2014, and if you compare what is now, the interagency coordination is a lot more. So if you talk about interagency, I am talking stakeholders. Today if you go to a SPREP regional meeting you have Fisheries and Forests attending alongside Environment. So the dissemination of information happens all at once.

Then we have more bodies that meet and disseminate the information, like another example is, how our CITES Management Authority and the scientific counsel that meets regularly. The obligations discussed during the COP are discussed during our Management Authority Meeting as well. So dissemination models have become a lot more effective.

MR. CHAIRMAN.- So there are some implementation or at least there had always been some sort of mechanism whereby information were disseminated amongst the colleagues.

MR. J. WYCLIFFE.- The thematic committees and this has been there since 2005. There had been thematic committees for each convention and we had been able to disseminate information from 2005 using this thematic committees.

MR. CHAIRMAN.- Thank you. The third one, 'The Lack Of Coordination Amongst Stakeholders.' Is that something that is in your power to see that there is coordination amongst stakeholders?

MR. J. WYCLIFFE.- Yes Sir, I am the Chair of the CITES Management Authority. When it comes to the coordination of an issue, there is a clear layer structured in place. The scientific council is the scientific body to provide input into the Management Authority, like for instance, if there is a native species of timber that cannot be exported for the very reason that the species is about to be extinct or is in the red alert zone or the appendix one.

They give scientific backing and information to the Management Authority who will then make a decision on it. There is a well co-ordinated approach between agencies in the decision making and the dissemination of information. I also chair the National Environment Council which is the larger body that brings together all of this and so it gives better control and coordination of all this agencies when they have to come together. A couple of other bodies are the NBSAP steering committees which sit together, so there is better accountability as well between the various stakeholder groups.

MR. CHAIRMAN.- When you talk about the stakeholders, who are some of the stakeholders you are talking about here?

MR. J. WYCLIFFE.- Sorry, Sir.

MR. CHAIRMAN.- When we talk about stakeholder, who are some of those stakeholders that come under your umbrella?

MR. J. WYCLIFFE.- The stakeholders that we have, could be drawn into a few groups. One is of course our partners, our government partners, other agency groups including Fisheries, Forestry, FRCA. The other one would be the Ministry of iTaukei and then the other group of stakeholders are NGOs, CSO partnerships, SPREP, IUCN and PIDF. The other stakeholder that I would mention is the general public whom we serve and this international obligations as any loss impact them. Lastly, the other governments and United Nations bodies, they are the other stakeholders groups.

MR. CHAIRMAN.- International Body?

MR. J. WYCLIFFE.- International Bodies.

MR. CHAIRMAN.- Now the fourth one, Unclear Roles And Accountabilities Of Focal And Implementing Agencies. So what are we talking about here, agencies and unclear roles?

MR. J. WYCLIFFE.- Thank you Chair. What we have done to look at this particular issue that we have is that, clearly, there are certain Acts that belong to the Ministry. If the Ministry is enacted through an Act of Parliament, then the Ministry is accountable for that legislation.

If EPS has come under us, the Ministry of Forest works with us in gaining the approvals. If it is environment like mangroves, then for every environment impact assessment, it is the Ministry of Environment that gives the clearance. So the role is clarified clearly as to who sponsored the enactment and it comes under them for accountability purposes.

MR. CHAIRMAN.- That is clearly defined.

MR. J. WYCLIFFE.- Yes Sir.

MR. CHAIRMAN.- The next one, 'Reports both internal and external needs to be maintained by the Department.' I think you have already answered this.

MR. J. WYCLIFFE.- Yes I did.

MR. CHAIRMAN.- That there is now a mechanism.

MR. J. WYCLIFFE.- Yes there is a mechanism for reporting.

MR. CHAIRMAN.- The last one, 'Monitoring of activities in the implementation of MEAs need to be maintained.'

MR. J. WYCLIFFE.- Again like I said earlier, we have tightened the monitoring of the other activities both through systems, personnel and processes put in place, and improvised on what was already existing there.

MR. CHAIRMAN.- Thank you PS, that brings us to the end of this particular segment, are there any final comments. I note that there are some additional comments that you have in terms of overall conclusion.

MR. J. WYCLIFFE.- The overall conclusion from our end is that, number one, the effectiveness of the implementation of the requirements of these agreements, will be stronger only if we have stronger legislation. It is one thing to have legislation, it is another to have the resources that back them up, and the commitment towards resources.

From what I have seen, in terms of commitment and resources, it has been going up the higher end it is not coming down. For resources, I have seen that it has increased manifold. Accountability has increased, the picture is improving from what it was. But the most important thing is to have reporting and being able to constantly measure ourselves against the international requirements.

MR. CHAIRMAN.- Honourable Members if there is no further question for this segment, I thank the Permanent Secretary Environment, the Director of Environment and the team for their presentation thus far on the environment issues. Your submission will assist us in writing our report and should you have any further question or queries we have your contacts here, we will contact you.

MR. J. WYCLIFFE.- Thank you Sir.

MR. CHAIRMAN.- We can now take a short 15 minutes break. I invite your current team and your next team to join us for morning tea.

MR. J. WYCLIFFE.- I will bring the next team as well, I will bring them in.

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- Thank you.

MR. CHAIRMAN.- And thereafter we can commence with the next part of the presentation with the Local Government. Thank you Members 15 minutes.

MR. J. WYCLIFFE.- I would just suggest that the three other ones that we did not initially send you. We would be happy to put something in writing, if the committee would like to have.

MR. CHAIRMAN.- Yes, yes, we would appreciate that.

MR. J. WYCLIFFE.- Thank you.

The Committee Interview adjourned at 11.04 a.m.

The Committee resumed at 11:25 a.m.

Submittee Ministry of Local Government and Environment

In Attendance:

- | | | | |
|-----|---------------------|---|---|
| (1) | Mr. Joshua Wycliffe | - | Permanent Secretary |
| (2) | Mr. Azam Khan | - | Director Local Government |
| (3) | Ms. Iliana Maiesia | - | Principal Amin Officer – Local Government |
| (4) | Mr. Usaia Korodrau | - | Senior Environment Officer |
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MR. CHAIRMAN.- Thank you very much Honourable Members, members of the public, media and staff. We are now ready to take on our second submission for the day and that is from the Ministry of Local Government.

We again have Mr. Joshua Wycliffe, wearing a different hat now, Permanent Secretary for Local Government. He presented as the Permanent Secretary for Environment a few minutes ago. With him we have Mr. Azam Khan, Director Local Government, Iliana Maiesia, PAS and Usaia Korodrau, SAS, Local Government.

We welcome you gentlemen and lady to this meeting. We also have the team from the Office of the Attorney General assisting us, Mr. Kuruwara and Alanieta. They will assist us as we go along.

Without taking further time PS, we will start with the issues that have been raised in Volume 2 of the Audit Report – Performance Audit and that is Monitoring of Municipal Councils by Department of Local Government. We have a submission before us and we will go to the issues as they have been raised in the executive summary on Page 3. Before that, any opening remarks PS?

MR. J. WYCLIFFE.- Thank you, Chair and Honourable Members for giving us an opportunity to come and present and respond to the findings of the OAG and also to be able to provide the Committee with developments and progress made. Look forward to the session.

MR. CHAIRMAN.- Thank you very much. Members let us go to the coverage and the key finding. What we note here is that the coverage of this particular report is the audit or monitoring of municipal councils by the Department of Local Government focuses on three areas namely:

- i) Planning Resourcing and Policy support for monitoring Local Government; and
- ii) Monitoring of Local Government Leadership and service delivery; and
- iii) Monitoring Financial Performance of Municipal Councils.

The audit looked into records held at the Department of Local Government for the years 2011 to 2014. Now the key findings under the head of planning, resourcing and policies support for monitoring Local Government:

- i) Inadequacy of legislation to clearly define monitoring arrangements.

MR. J. WYCLIFFE.- Thank you, Mr. Chair and Honourable Members. Like we have mentioned earlier, the legislations holds the key to monitoring the progress or performance made in any area. One of the key activities that the ministry has undertaken is the review of the Local Government Act. The ministry has noted the need for those, in response to the OAG requirements, and the review of the Act would help us strengthen the existing legal framework we have. So, the policies and standards of the department and all the councils in terms of monitoring and making sure that they are performing would be adhered to through the review of the Local Government Act.

Also, the ministry is committed to, not just the review, but also put this review in place and ensure compliance through various frameworks especially around performance. As we progress, I will be happy to discuss and also tell you how we have progressed from there on. Just broadly speaking, we have addressed performance under the Act and the obligation that the ministry has, we have been able to address that through performance and customer's a grievances. So, the key response is that the Act has been reviewed in response to OAG.

MR. CHAIRMAN.- So, what are some of the specific areas, the review is looking at?

MR. J. WYCLIFFE.- The review is looking at service delivery. That is the key area that we are looking at. We also looking at the overall performance. The review also is looking at, in terms of disaster management; economic resilience and also climate change resilience.

MR. CHAIRMAN.- When you say planning, is it the planning of the municipality itself or the planning of how the organisation structure is run?

MR. J. WYCLIFFE.- It is the overall corporate planning, in terms of service delivery. How it operates in its service charter. I understand that the template of the service charter sample has been submitted as well. Also in terms of economic resilience, that is another key area. When we plan we make sure that councils are economically resilient.

MR. CHAIRMAN.- While at that, something that we were discussing when we were doing the respective municipal councils. The rate collection regime differs from council to council as well as the enforcement procedures which brings to light the issue of accounting. We have noticed that different municipalities have different accounting systems which causes a lot of confusion for the OAG and also to the accounts committee when dealing with the accounts. So, is there any reforms in that area?

MR. J. WYCLIFFE.- Thank you, Chair. Most definitely, yes. We have brought in the International Financial Regulating Systems (IFRS) which is an international platform and have best practice standards. So, across all municipal councils, IFRS has been applied so there is a uniform measure in accounting.

Secondly, we are now part of the Commonwealth Local Government Forum and we get resources from them in terms of how we report our financial audits. Also, we as a government agency follow the public sector financial systems. There is a uniform reporting system as with the public sector as well. So, that as far as the financial benchmarking and common platform situation.

In terms of rate collection, you are right, it differs from council to council. The bigger the council, the bigger the challenge because of the Economic Act within the council boundary is a lot higher so the collection challenges are there. However, what we have now

trialled this year is for the first time again in the history of Fiji, the Director and I have modelled together a shared services approach. This is particularly successful in countries like New Zealand and Australia, where collection among councils are shared on a shared platforms. So, we are able to provide again a uniformity in the approach towards collecting whether the council is large or small. But what was also helpful is that, the council that have some challenges in capacity is now able to be on par with the council that has the capacity and is able to collect the rate at the same time through the shared services.

MR. CHAIRMAN.- It is interesting that you have mentioned IFRS because Honourable Radrodro has been mentioning IFRS all along during the municipalities auditing. When was this system introduced for municipalities?

MR. J. WYCLIFFE.- This was first introduced about a year ago.

MR. CHAIRMAN.- Alright.

MR. J. WYCLIFFE.- The Director of Local Government can explain a little more in detail but before he does, the purpose of that was to bring a uniformity among all councils in reporting and of course follow international benchmarking in the way it is reporting. I will just handover quickly for a minute.

MR. A. KHAN.- Thank you, Chair and Honourable Members of the Public Accounts Committee. For your information, Suva City Council and Lautoka City Council are now full IFRS based and other councils in Fiji are small medium IFRS based. This has been selected based on their size and it was introduced last year and filtered in slowly. From this year, all municipal councils are 100 percent IFRS based when it comes to reporting.

One of the key reasons why all councils have been shifted to IFRS reporting because of the qualifications from the OAG and the need for them to be IFRS based. This is also seen some councils updating their previous annual accounts before being submitted to the OAG for the purpose of auditing. So, effective 2018 all councils are presenting reports to OAG, back dated report or a report for this year will be IFRS based.

MR. CHAIRMAN.- So, that solves a lot of our problem because there is something that we have been wanting to at least to have platform of reporting. We will take Honourable Lalabalavu's question before it comes to Honourable Radrodro.

HON. RATU N.T. LALABALAVU.- Thank you, Chair. My question to PS and maybe Director as well. If I just take us back to the first issue, which is the review of the Local Government Act. Given the situation that we are in, what are we reviewing here, is it the Local Government Act *per se* or what about the one where the Special Administrator comes in? Why I am raising this question, Chair, is that in here we are talking about the policy making or the decision making. We used to have the elected council before. Now you have the Special Administrator and in the short and long term where do we stand with this review that we undertaking. It has been highlighted by the OAG, so there is a need to review. These two different aspects, where one tends to ride on another but the overall policy making decision.

MR. J. WYCLIFFE.- Thank you Sir. You are right, there are two levels of policy: the strategic and the operational. The Act is applied to operational circumstances. So the OAG raised the finding in monitoring municipal councils, so we are asked what we are monitoring. The principal issue that we monitor is municipal service delivery: every day

grass cuttings, your waste collection, your citizenry-charter, complaints and grievance recording. It's not just recording, but also being able to be responsive and be pro-active in the way you deliver.

So that is on one side. So if we have that in place, then how do we have a monitoring instrument in place that make sure that all these things happen. If it does not happen, then how does the Act assist us in monitoring and ensuring that it happens. So we have come from that angle of reviewing the Act.

So the Act will need to support the legal compliance and the legal obligation of every Municipal Council to ensure that these important or co-responsibilities of municipal service delivery are met. So we have taken that approach given the existing situation. We have Special Administrators and CEOs, so what we do is operationalise how the Act can support at the same time ensure that operationally, what the citizen needs and in what ways are their needs met.

MR. CHAIRMAN.- Honourable Radrodro you have a question on IFRAS?

HON. A.M. RADRODRO.- Yes, Chairman, and my question is basically a simple one in terms of IFRAS standardisation for municipalities. Why do municipalities have to adopt to IFRAS when the national Government is not even adopting the IFRAS standards?

MR. A. KHAN.- Thank you Chairman, through you, Honourable member, this was one of the qualifications made by the Auditor General's Office and they insisted that councils have their system of reporting upgraded to IFRAS. The reason is that, Section (8) of Local Government Act, states that Councils are supposed to be operating from the perspective of a more corporate structure with the common seal being practised upon. From that section, the Office of the Auditor General has come up with the opinion that Councils need to adapt to IFRAS.

In addition to IFRAS, to support the national Government and to be in line with the national Government fiscal policy, Councils have also started to adjust themselves to International Public Sector Accounting Standard (IPSAS). All the transactions, where Councils are supposed to relate itself with IPSAS, are being reported quarterly to Ministry of Economy.

HON. A.M. RADRODRO.- The first point regarding the basis for monitoring. I think the Auditor General have highlighted the absence of power vested upon the Director Local Government, and we have come across certain issues about municipalities having delayed submission of audited accounts. How has the Ministry tried to address this particular issue regarding monitoring, because the Act only allows the Minister to do all that but no mention of Director Local Government?

MR. J. WYCLIFFE.- Thank you, Honourable Member, that is one of the areas that is currently reviewed in terms of the various delegations or powers and how that can be monitored. In the interim, what is being reviewed or what has been put in place until now and will continue until the Act is entirely reviewed is that not all Councils have equal capacity in being able to provide the reporting and functionality that is provided in terms of finance. The OAG is the one who has identified the gaps.

So, they are the best people to also help us fill the gaps between a larger Council and a smaller Council who is not able to provide the financial reporting on time and up to the

benchmark standards. They are now running a workshop for Financial Managers around the country, especially for Councils, to be able to bring up these people to meet the expectations in terms of reporting standards.

HON. A.M. RADRODRO.- Supplementary question to this, is the review of the Act going to empower the Director Local Government to have a more hands-on monitoring approach that is missing from the current Act right now?

MR. J. WYCLIFFE.- I am advised that the point you have mentioned in terms of empowering, you are right. If you compare the Director of Environment to the Director of Local Government, the Director of Environment has a lot more legislative say into operations. That needs to happen because a lot of issues overlap, Environmental and Local Government issues overlap. One of the terms of reference is that the Director of Local Government is legislatively empowered as well, to do it, and that is under the review of the Act.

MR. CHAIRMAN.- The question for the Director, when we were reviewing the accounts of respective municipalities, we noted that some of the Municipal Councils have delayed reporting, some of them have pending reports of two, three four and five years, so with this migration to IFRAS, will that assist in timely reporting of finances?

MR. A. KHAN.- We have come up with a plan following a meeting with the managers of respective Councils, Manager Finances and Directors. The work plan has been designed in such a way to ensure that IFRAS based outstanding accounts are all given over to Auditor General's Office before 31st of July.

In line with this, we also have a programme with the Ministry of Economy for Municipal Councils to shift their fiscal year, as that of the national Government in the coming year, 2019/2020 cycle.

MR. CHAIRMAN.- We understand that the financial year for all municipalities will now be from 1st of August to 31st of July, like the national Government?

MR. A. KHAN.- Mr. Chairman that will be from the next fiscal year, 2019/2020.

MR. CHAIRMAN.- All right. I hope to see that first of all, the accounts should be submitted on time and then when they are submitted, the OAG does not have any qualification regarding the presentation of these accounts.

HON. A.M. RADRODRO.-Just a supplementary question regarding the monitoring role. We note that the PS mentioned about cost sharing regarding municipal councils. The issue here is regarding the role of Director Local Government (DLG) in the monitoring, there is no mention at all. The Director Local Government is spearheading this process, have you continued the legality of the process?

MR. J. WYCLIFFE.- Through you Chairman, yes. The Act, when reviewed, will give adequate powers on monitoring effects to the Director to be able to spearhead. In so many ways in the past, we have done that either way. With or without the delegation, the Director is still able to monitor. In his capacity as the Director of Local Government, he is able to drive performance and he is able to drive also assessments of how things are done. In the next following responses, I am able to better describe as to how the Director has spearheaded the performance.

HON. A.M. RADRODRO.- With the current arrangement, the monitoring process that Director of Local Government is doing, is upon the directive of the Minister?

MR. J. WYCLIFFE.- I entirely will not agree to that Honourable Member. As a Department, the Department is responsible for the performance of the Municipal Council and so the Director is able to go and monitor performance, have performance meetings, one on one meetings with the Special Administrators and the CEOs in this capacity as the Director. The budgets and the capital finances and the funding provided to the Councils are from the Government, from the Ministry. As being a Director from the Ministry, he is able to exert the delegation and being able to hold them accountable for the performance.

MR. CHAIRMAN.- Yes, the PS did not say that he did not have any powers, Ps said that he did not have adequate powers. The review will give him more powers with the existing powers that he has.

MR. J. WYCLIFFE.- Exactly, I agree.

HON. A.M. RADRODRO.- Yes that is the audit issue that we are talking about here. If you look at 4.1.4, it basically spells out the issue at hand in the current role of the DLG. The DLG is not even mentioned at all, as has been highlighted here. He only acts on the directive of the Minister. Is that right OAG and DLG?

MR. A. KHAN.- Thank you. There is an established department of Local Government at the Ministry of Local Government, where budget is given for the main purpose of monitoring, research and development and advancing Municipal Councils in Fiji. The office of the Department of Local Government, the Director in particular, reports to the Office of the Permanent Secretary. We have a developed performance plan that has been circulated to the Chair and we have one available here. We take our action based on the policies and guidelines given by the Office of the Permanent Secretary.

During this Local Government review process, the load on the Department of Local Government has increased and we are using a nine pointer terms of reference issued to the Department based on a Cabinet decision. The nine pointer terms of reference, clearly demarcates the areas where there is a need to monitor and report upon. There have been a number of units established within the Department of Local Government, to ensure that monitoring and the performance of the senior people at the Municipal Councils are well inspected and reported upon.

In the proposed terms of reference, that has been forwarded for the purpose of considering the Local Government Act review, the need to strengthen the Department of Local Government through legislative powers was identified.

MR. CHAIRMAN.- Thank you, we move to the next one.

Absence of standard operating procedures to monitor Municipal Councils.

MR. J. WYCLIFFE.- Thank you Chair, thank you Honourable Members. Yes, we did take note of the Auditor General's comments. We now have policies and developed standard templates in place that are now used for successfully monitoring the performance and progress made by the Councils. Some of the examples include; the performance plans that are in place for Special Administrators and CEOs. Also having controls on the monthly

expenditure and performance. I have been told that the part of the assessment known as the green town assessment has gone up with a range of improvement from 33 to 63 percent.

There is also a Human Resource monitoring framework, copies of which have been submitted as well. There is also another area of operating procedures, like how these town boundaries are extended, and how they are monitored how the work is being carried out. So in summary, there are standard operating templates and other templates that are put in place to monitor progress made and record reporting as well.

MR. CHAIRMAN.- Just a supplementary question to that in terms of monitoring performance. Do you have a KPI or performance indicator for Special Administrators?

MR. J. WYCLIFFE.- Yes, Chair we do. The performance plan has performance objectives. The actions that he needs to take and the outcomes or the activities that he undertakes with the deadlines. 99 per cent of the SA's plan is also the organisation plan, as he is the head of the organisation. His plan would then to see through the various levels of the Council. I can say that I personally go from Council to Council to launch the performance plan of the SA.

I have a one on one meeting with coaching and mentoring sessions for each SA and CEO, over a period of each business quota. So we ensure to see how they have fared, and we tighten up further as we go down the line and hold them more accountable. Annexure 3 would show a sample of how performance assessment matrix works for Municipal Councils. There are key performance indicators as you can see.

HON. RATU N.T. LALABALAVU.- Through you Chair, PS and Director, I would like to take us back to paragraph 4.1.4;. the role that the Director plays. I fully understand where the Director is coming from, in saying there is a special department headed by Director of Local Government, who looks after all that is going to be processed as part of its objectives.

I also fully understand what he has just indicated, that the plans of the Council is 90 percent the plan of the SA. But again there are instances, like the Albert Park development and Lami, where the Minister, like in previous Government, decides on what should be undertaken and it is never the plan of the Council nor the SA. Both Councils still had a couple of years for their audited accounts to be presented. Yet this was something that was undertaken at the will of the Government. So, the finding to me is valid, since they have to listen to what the Minister and the Government of the day feels ought to be undertaken during their tenure ship.

MR. J. WYCLIFFE.- Can I respond to that? Thank you Honourable Member. There is a gap that OAG has identified and there is a need for empowering the Director of Local Government in terms of the performance of the Councils. We have listened to it and we have put that under the review of the Act, as a key item in the terms of reference. So the outcome of the review is done with the intention that we empower the Director's position, so that all delegation and power is also monitored closely by the Government bureaucracy and ensure that the outcomes are based on what the Government of the day requires.

So we have taken notice of what has been reported and we certainly have listened and we are taking action. We hope that the final reviewed Act will satisfy the requirements of the legislated power of the Director Local Government.

MR. CHAIRMAN.- I think the short questions, the summary questions for all that argument would be what is the current source of power for the Director to monitor the respective Municipal Councils?

MR. J. WYCLIFFE.- Through the Permanent Secretary's Office it goes as the Government, the Permanent Secretary then delegates the power, the power does not come from a vacuum, power is always delegated so it comes through the Permanent Secretary's Office. He has a job description and it is clear and he has a performance plan as well. It goes down the different levels, so his job description in this performance plan is monitored. But those are instruments only until the Act is reviewed.

HON. A.M. RADRODRO.- Chair, that is right. That is what I was saying initially, that DLG does not have any specific legislated power in the Act, whereas what you are saying is possibly a policy that is done outside of the requirements of the Act. Is that going to be addressed going forward?

MR. J. WYCLIFFE.- That is in the TOR, to ensure that the delegated power to the Director is able to monitor closely in those areas.

HON. A.M. RADRODRO.- So the DLG should be empowered?

MR. J. WYCLIFFE.- Absolutely.

HON. A.M. RADRODRO.- On 4.2, The Auditor General highlighted the absence of standard operating procedures since 2014 . Can you just confirm to the committee whether these operating procedures is now in place or is in the process of being in place?

MR. J. WYCLIFFE.- If we can go to Annexure 1. The SOPs is shown in terms of good governance, clean growth, administration, finance and projects management. They are in place, that includes how inspections are done, how they are monitored and how they are reported. So like I said , this is from what it used to be in 2014 and there will be further improvements and tightening of rules that will be required.

HON. A.M. RADRODRO.- I think one of the main issues regarding municipal councils is the delayed submission of audited financial statements. When municipalities do not submit on time, is it reflected here in your SOPs?

MR. J. WYCLIFFE.- Yes. It talks about when and how they will submit the reports. Annexure 1. Page 12.

MR. A. KHAN.- Thank you chair, through you. On Page 12 there is a special unit that was established. The Finance Unit monitors and is basically responsible for budget submissions. Also number 22, the unit shall monitor council monthly financial activities and prepare assessment reports. Number 24; the unit shall organise yearly finance managers meet to discuss annual audits and the minutes of the last meeting. Annexure 9 is relevant. Number 3 agenda, there were financial reports, current status. So that is a recurring agenda that is discussed every time.

HON. A.M. RADRODRO.- So my question, initially is those delayed submissions. When they do not submit on time, whether your SOPs address what type of actions to be taken on the responsible municipalities that do not submit on time according to your 22, 24, 23 and 20?

MR. A. KHAN.- That is reflected as a specific program. We have it in our office, Sir. The aim of the finance unit is to ensure that all accounts are up-to-date and presented to the Auditor General's Office before 31st July. We are working very closely with the Office of the Auditor General and they have come forward with a very interesting plan. This is to ensure that by March next year, all accounts should be audited and presented to the relative organisations for the purpose of further action.

MR. CHAIRMAN.- So that is the 31st July of which year, this year or next year? The financial year will change from next year, right, so then the reporting date will be different.

MR. A. KHAN.- Sir, we will have a short-term fiscal year, next year from January to July.

MR. CHAIRMAN.- Right. But we take it that by 31st July, 2018, all the pending accounts for all municipal councils will be submitted to the OAG.

MR. A. KHAN.- Yes, sir.

MR. J. WYCLIFFE.- Also in addition to that, Honourable Member, one of the key instruments used here is the monitoring of the monthly financial activities. I mean, it is one thing to bring it all up to stage and then it starts slipping again. The monthly council financial activities meeting that is put under point number 22 will play a key role in ensuring that it does not slip back, and we will regularly monitor so that it does not go back again.

HON. A.M. RADRODRO.- Yes, my question was basically those who do not meet your requirement as per 22, what actions are allowed for you to take for not meeting your required standard template?

MR. A. KHAN.- That is under a specific program, and it is in line with the nine-pointer terms of reference issued to special administrators and CEOs. Yearly assessment is one of the areas that will be looked into as a performance measure for them. If they are unable to deliver, then the performance rating will be affected.

HON. A.M. RADRODRO.- Another question is regarding your Annex 3. That is part of your answers to the monitoring SOPs. Is that right? The Annex 3 that you directed us to, earlier.

MR. J. WYCLIFFE.- Yes. That is right.

HON. A.M. RADRODRO.- So why is there no mention of financial reporting in your SOPs in Annex 3?

MR. A. KHAN.- It forms part of one. Effective planning and accountability framework compliance and the reason why it has not been specifically covered here is that, it is well covered within the Local Government Act. There is a need for them to comply and ensure that the accounts are submitted to the Auditor General Office before 31st May of the preceding year.

MR. J. WYCLIFFE.- And also, Honourable member. There are a couple of other KPIs in there, for instance, KPI number seven and eight. When you are talking about finance and the financial reporting in accounting, most of the finances the ministries do give out are

for capital projects and challenge funds. So how effectively did they manage the funds and how did they acquit them. How much did they hold themselves accountable. This would follow but if it is the recommendation of this committee that we specially put up a financial clause there, we will do it. Absolutely.

HON. A.M. RADRODRO.- That is one of the major issues that we have been identifying with municipalities about the delayed ...

MR. CHAIRMAN.- Delayed submission of accounts.

HON. A.M. RADRODRO.- Audited accounts.

MR. CHAIRMAN.- But there is a specific provision as mentioned by the Director in the legislation itself, is it by 31st of May or March? 31st of May. If the municipalities are not following the legislation, putting a similar clause in the KPI might not work it will probably work both ways whether they follow it or they do not follow it. There has to be some sort of sanction against the council for not following.

MR. J. WYCLIFFE.- Yes, if they do not do it, they will be breaching it. It is a question that is stressed to them as part of the coaching and mentoring they do to SAs and CEOs. This is to ensure that they take it seriously because if they do not do it by May, they are breaching the law.

MR. CHAIRMAN.- The law, yes. Perhaps the KPI could include a particular section there that they have to follow that legislation as well as other legislations.

MR. J. WYCLIFFE.- Yes.

MR. CHAIRMAN.- Especially in terms of reporting.

MR. J. WYCLIFFE.- Exactly.

MR. CHAIRMAN.- That is the major sore thumb that we have encountered in terms of auditing the municipalities; non submission of accounts or incomplete accounts.

MR. J. WYCLIFFE.- Thank you.

MR. CHAIRMAN.- Can we move to the next one now? Lack of human resources to effectively monitor municipal councils. A very important finding. Something to do with monitoring, we were looking at monitoring a while ago.

MR. J. WYCLIFFE.- Thank you, chair. You want me to respond.

MR. CHAIRMAN.- Yes please.

MR. J. WYCLIFFE.- The department has since reviewed its structure and also the business plans that we have. We have refurbished our structure after 2015 to reflect the activities in the position description. The position itself was established, where the position description was revised, including that of an Executive Officer who will support the Director. From 2016, we are taking incremental steps towards strengthening the same organisational structure so that we match the outputs and make them effective. The structure basically now reflects what the municipal needs are, by the citizenry around Fiji. The department has also

established units which will reflect municipal and National Fire Authority requirements. The units are now exclusive and have closer control and impact over the services delivered by these business units.

MR. CHAIRMAN.- Thanks for that, PS. I understand that there are quarterly seminars or quarterly meetings organised by the Ministry of Local Government for all municipalities to iron out the inefficiencies and to streamline them, to bring them to the same wavelength. What annexure does that fall under?

MR. J. WYCLIFFE.- I can include that here. Although there will be a couple of other areas which I will come back to.

MR. CHAIRMAN.- All right.

MR. J. WYCLIFFE.- In terms of this one, the local government forum is a very transparent event that happens half-yearly where performance issues, council by council is kind of open threadbare, discussed in open, areas of gaps are brought out and then we fix those gaps as well. Now, this is something that successfully happened in the last two to three years. Since then, we have found that they are effective, they go back with the collection of activities that they have to do and come back to the next one. That is open threadbare, in front of all their other colleagues, so Rakiraki sees what Tavua has done, or Lautoka sees what Suva has done and then there is a sense of competition as well. So in term of human resources gaps, if there are any, it comes out in the local Government forum. Their challenges of lack of resources will come out and then that helps the Ministries to fix those areas in human resources.

HON. A.M. RADRODRO.- Mr Chairman, just a supplementary question. I note that the auditors have also highlighted your monitoring of the National Fire Authority (NFA). They have noted areas where NFA offices have been set up, especially outside of the municipal boundaries. You know that NFA get its finances from insurance within the municipal boundaries. What about those NFA offices that are set up outside of the municipal boundaries, how do you compensate those ones?

MR. J. WYCLIFFE.- Thank you Honourable Member, I can explain from how it happens policy wise, operationally if there is anything else to add, the Director can provide that. Outside the town boundaries, there are funds and grants that Government provides. It can also include operational equipment's, fire trucks, capital works, establishment of new fire stations. Is there anything else you would like to add, Director, in terms of support to NFA outside the town boundaries?

HON. A.M. RADRODRO.- Korovou, Seaqaqa, Korolevu, these are outside of the town boundaries.

MR. A. KHAN.- Thank you Chairman, through you and Honourable Member of the Public Accounts Committee. The Government is providing operation grant to support services outside the town boundary. Local Government committee is meeting and is working closely with the National Fire Authority (NFA) to extend town boundaries and also in addition, to ensure that there is a national framework available to have these gaps addressed. The national development plan speaks on group centres to be part of a town and proclaimed as a town over the next few years.

HON. A.M. RADRODRO.- What is also important in terms of your monitoring, specifically NFA, is the appointment of the Chief Executive Officer, for so long that position has been vacant.

MR. CHAIRMAN.- Is that in their power or is that in the power of the Minister?

HON. A.M. RADRODRO.- I think that is part of the Local Government Act. So, is there any immediate indication of when the Chief Executive Officer is going to be appointed to help in your monitoring process that is being highlighted here?

MR. J. WYCLIFFE.- Thank you, Mr Chairman, I can say this because I have been a part of the recruitment process. We have done two interviews and the Chief Executive Officer is appointed by the Minister as well, so he concurs with the recruitment process as per the Act. We have met with the candidates and the existing national requirements of the NFA and we were not able to successfully meet all the gaps within that area. The stage in which NFA is in, requires a strong best practice approach. One of those things that was recommended was that we go overseas as well, and see how the overseas recruitment takes place and compare it with our recruitment processes. We were able to compare the best of both and make an appointment. Even as I speak, that is being finalised, we will be going out to the market again for the third time to recruit.

MR. CHAIRMAN.- Thank you, Permanent Secretary, for that. Fourth bullet point – Alignment and implementation of monitoring activities in the Ministry of Local Government, Housing and Environment's (MGLHE) organisational plan.

MR. J. WYCLIFFE.- Thank you Chairman, like I said earlier, we have reviewed our structure and the business plans that we have and what we have done is our business plans now align with the national need in terms of Local Government service delivery and municipal service delivery. Our business plans have the organisational key performance indicators (KPI) which are translated through the Special Administrators performance plan. So, they now align with the Government's requirements or the Municipal service delivery.

HON. A.M. RADRODRO.- A question regarding the monitoring process. The auditors have highlighted that in 2012, the department sought six additional positions in the department. Can you just inform the Committee what is the status of these six new additional positions? Have they been confirmed and filled?

MR. A. KHAN.- Thank you Honourable Member, we have established positions and it has been recurring over the fiscal years. Some positions have been noted to be vacant from time to time, given the resignation or the contract expiry and based on the process, the positions are being filled. Currently we have three positions that are to be filled, given that the staff had moved and it should be filled within the next two to three months.

MR. CHAIRMAN.- All right, thank you. Let us look at the head monitoring Local Government leadership and service delivery. The first bullet point there is - Failure to carry out performance assessments of the Special Administrators. That is the chief of the local government, Special Administrator, just like the Permanent Secretary himself. There has been a failure as noted by the OAG in terms of carrying of assessments of performance of Special Administrators.

Can we have some comments on that Sir?

MR. J. WYCLIFFE.- In response to that, the Ministry now has a very strong performance regime put in place for the Special Administrator. It comes from the Permanent Secretary level, working one on one on a performance plan. So it is not only verbal, it is now in writing signed off both mutually, so we hold them to it. From the Permanent Secretary to the Director of Local Government and to the Special Administrator, everyone has a copy of the document, which is signed off and they are held accountable to it.

MR. CHAIRMAN.- There is an extra three?

MR. J. WYCLIFFE.- But the department itself has business plan for them and that seeps through the various councils.

MR. CHAIRMAN.- Is the second document part of your annexures as well, the business plan?

MR. J. WYCLIFFE.- Yes.

MR. CHAIRMAN - So, members this document is from the Ministry for Local Government, Housing and Environment and it is the individual performance plan and appraisal form. So, this one is done for the Director, I think.

MR. J. WYCLIFFE.- So, the Director's plan, like I said, becomes the Departments plan, as much as the Special Administrators plan becomes the Council's plan.

MR. CHAIRMAN.- And this appraisal is done by which officer?

MR. J. WYCLIFFE.- The departments' appraisal is done by the Permanent Secretary.

MR. CHAIRMAN.- And for the individual Special Administrators?

MR. J. WYCLIFFE.- Will be done again jointly by the Director and the Permanent Secretary.

MR. CHAIRMAN.- Yes alright.

HON. A.M. RADRODRO.- Sir just a question on this issue here, the special administrators are appointed by the Minister as highlighted in 5.13 with their assigned duties. And then DLG makes the assessment?

MR. J. WYCLIFFE.- Jointly with the Permanent Secretary as per job description.

HON. A.M. RADRODRO.- Jointly with the Permanent Secretary. How effective has that process been?

MR. J. WYCLIFFE.- The expectations of the government of the day, is articulated through, let me come from this angle, the expectation of the citizenry is reflected on the expectations of the government. And then those expectations are then translated into a performance. So the origin of performance expectation comes from the citizen and it is translated into a performance plan, which is monitored by the Permanent Secretary and the Director of Local Government.

MR. CHAIRMAN.- So there seems to be some separation of powers, at least the Minister appoints but the supervision and monitoring is done by the PS and the Director. So there is probably like a peer assessment of some kind, if the Minister appoints a Minister assesses, there will be no conflict of interest.

MR. J. WYCLIFFE.- Conflict of interest.

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- This way, it separates that.

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- From appointment and the monitoring.

MR. CHAIRMAN.- I see the rationale behind that.

HON. A.M. RADRODRO.- I think the issue here, is how effective is the assessment and what powers can you see in your monitoring process to tell the Minister that this special administrator is not performing. One example, as I alluded to earlier, is the provision of Annual Financial Statements, that in itself is the indication that SAs are not performing.

It is now 2017, some municipalities are producing reports from way back as 2013, 2009. OAG can give us the correct years but this is one indication of performance of the Administrator. So what powers does the Director of Local Government and the PS have to tell the Minister that this special administrators is not performing according to the duties as legislated under the Act?

MR. A. KHAN.- Thank you Chair, through you, last year we started to roll in business plans for all municipal councils and this year they will be reviewed for 2017. A report has already been prepared and submitted to the Permanent Secretary for further discussion with the Honourable Minister. The nine point terms of reference has been used to look into the areas of KPIs and how they have performed. To support the business plan this year, the performance assessment has also been introduced as an additional template to strengthen governance at municipal councils. As part of the process, the Department of Local Government will prepare reports and submit it to the Permanent Secretary and the Permanent Secretary, in concurrence with the Minister, takes relevant actions.

MR. CHAIRMAN.- This is a late development so we will see the results of this development in the following years.

HON. A.M. RADRODRO.- OAG can do a follow up audit on this issue.

MR. CHAIRMAN.- Thank you Members, let us move to the next bullet point number two under the heading of Monitoring Local Government Leadership And Service Delivery. Failure to consistently host consultative forums with Local Government Leaders.

MR. J. WYCLIFFE.- What we are also doing is under the consultative forums. The Local Government forum is one major improvisation from the previous years. It is majorly consultative forums with SA's working on their areas, also other form of consultative forums that we have with SA's in working with them. We at least have one listening session where

we listen to the citizenry and the requirements they have placed on their SA's. That also helps us to monitor delivery as well as it goes back to the performance and partnership so we work on a consultative model with SA's and his team, in terms of how services is delivered.

MR. CHAIRMAN.- That also includes complaint procedure from the citizen?

MR. J. WYCLIFFE.- Yes, there is a grievance register now established at every council and that grievance register has a strong input on their performance as well. Another area that we are also working on is customer feedback regime, where we have a base line initially which says how they are performing and then the end of the year assessment process is carried out and this is done on a consultative basis and the process includes the SA and CEO.

MR. CHAIRMAN.- So the grievance register, I understand is kept at the council?

MR. J. WYCLIFFE.- Yes.

MR. CHAIRMAN.- So if there is a complaint against the council itself then where is that registered?

MR. J. WYCLIFFE.- The escalation process comes to the Ministry. It is very clear it comes to the Director of Local Government before it comes straight to me and then I drive the process of complaint resolution. We do not have to wait for them to complain to the Ministry, our listening sessions that we do in each council has direct access for people to come and see us.

There are also other means of complaints reaching us through social media, emails and it goes all the way up to the Prime Minister's Office. We then deal with it straight away as soon as we hear it. We delegate as to who handles it, within each department.

MR. CHAIRMAN.- This customer feedback forms and the complaints records kept at individual municipalities, that is also inspected by you or your officers?

MR. J. WYCLIFFE.- Ad hoc, yes, we just do it at random. What we do is the first touch point for any customer grievance is the municipal council itself and they make a record as part of the performance assessment. We do inspect those grievance registers and talk to other people and customer groups when we go in and listen. The third instrument is then to escalate to the Ministries as well.

MR. CHAIRMAN.- The respective ratepayer organisation under respective municipalities, do they have direct access to you?

MR. J. WYCLIFFE.- Yes, they do. I mean not just a phone call but even emails and they are able to come to me directly.

MR. CHAIRMAN.- No questions in regards to that Members, so let us move to the next one. The third bullet point, 'Absence Of A Performance Measurement Framework For Monitoring Municipal Councils.'

MR. J. WYCLIFFE.- Sir, that goes back to the previous explanation that we gave. The actions that had been put in place, in terms of performance management, is to ensure that there is a framework and individual performance plans for every officer. An additional criteria is that we need to have the Ministers point of view. We have individual performance

meetings up to the CEO level and we also we take part in the municipal council staff meetings as well.

MR. A. KHAN.- Sir to add, we have a Service Charter that has been actioned from last year, a copy Sir is on your table.

MR. CHAIRMAN.- Service Charter?

MR. A. KHAN.- Service Charter, yes. And the Green Town Assessment Reports, which is compiled through half yearly visitations. Those are the bound report for the last two years.

MR. CHAIRMAN.- These ones?

MR. A. KHAN.-Yes Sir.

MR. CHAIRMAN.- It is noted, sorry, the next bullet point just the fourth bullet point, 'Absence Of Follow Ups And Delays In Attending To Complaints.' What is noted there is that audit found that the Director of Local Government did not have documented procedures for handling of complaints in the years 2011 and 2013. However, procedures for complaints handling was developed in January 2014. Aside from the 50 complaints recorded in the 2011 audit, we could not engage the timeliness of the DLG in responding to complaints received regarding council performance. Of the 50 complaints recorded in 2011, audit found that in some instances, the department took as long as two weeks or two months to refer complaints to the councils.

MR. J. WYCLIFFE.- Chair, if we go to Annex 4, Grievance Policy Management, that has now come into place. He talks about how it is recorded, how the inspections are carried out and how it is managed as well. Now under the KPIs, the individual officials are ready to handle the complaints. They have put a definitive period before which complaints are handled, two to three working days depending on the nature of the complaint, and so the monitoring of that has to be; how many days it has been handled. This will speak directly into the individual performance.

MR. CHAIRMAN.- Individual performance of SA's and their entire councils.

MR. J. YCLIFFE.- SAs and it seeps through the different levels of staff.

MR. CHAIRMAN.- Is the public or rate payers aware of this grievance policy procedure?

MR. J. YCLIFFE.- Yes, during the listening sessions we have told the public about the grievance management register and it is kept at the entrance in the front end of the municipal councils.

MR. CHAIRMAN.- And these complaints are lodged with the council itself or is it lodged with the ministry?

MR. J. WYCLIFFE.- Municipal council should start with it. They are accountable for their service delivery but we monitor it.

MR. CHAIRMAN.- Any question in regards to that, Members? This is something about complaints coming about the council or particular officers to the Ministry of Local Government.

HON. A.M. RADRODRO.- In addition to this supplementary question. I note that most of the municipal councils have their playing facilities, grounds in Lautoka, Nausori but in Suva what is the status with the playing facility? Does the municipal council have any say on this Albert Park? Who controls it?

MR. J. WYCLIFFE.- Yes, all our bookings go through municipal council. Booking facilities for this one here, we approach the CEO and their say for bookings. They have a booking procedure for it and they monitor how it is being utilised. All requests to book for events and sports have to go through them.

HON. A.M. RADRODRO.- Is Albert Park available to host club competitions, rugby and soccer game competitions for that matter?

MR. J. WYCLIFFE.- Yes, again like I said, it has to go through the municipal councils for any sport events in Suva and the CEOs office is able to handle that.

MR. CHAIRMAN.- Director, do you have something to add on to that?

MR. A. KHAN.- Chair, for Albert Park the Standard Operating Procedure for usage has been designed to ensure that the ground itself is able to have a long life.

MR. CHAIRMAN.- Not damaged.

MR. A. KHAN.- Life span is kept to the level of investment that it has been placed in and the structure with which the ground has been developed. It requires heavy maintenance from time to time. You will note that even the spraying of water itself is really high. Sometimes 20,000 litres of water is sprayed within 15 minutes to ensure that this tap itself is well kept and for that purpose the council, from time to time, makes decisions not to allow certain games to be played at Albert Park, just for the purpose of protecting the park.

MR. CHAIRMAN.- Can we now move to the next one, PS.

Inconsistency in Reporting of Local Government Activities.

MR. J. WYCLIFFE.- Thank you, Chair. Most of my responses will be repetitive because what we have done is we cannot put in umbrella responses or solutions to the existing problems because most of this issues are interlinked. When we are talking about reporting, what do we report on? We report on customer service and how does customer service work, if there are inconsistencies in customer service, then we have gone to the next level to see what the inconsistency is and how do we monitor and report it. So, we have to go back to the performance framework and the reporting framework that we have so far been discussing. That is the only way we would be able to assess on the ground reality and put in place measures that will help him improve performance and also consistency requirements on the activities performed.

MR. CHAIRMAN.- I have noticed that the major issue that was raised there was the absence of the Standardised Reporting Procedure but your previous response has shown us the reporting position now. Everything from the complaints record, complaints register,

finance and customer feedback form and to how it is monitored. So, I think that is the record for the purposes.

Monitoring Financial Performance of Municipal Council.

Failure to assess budget proposals submitted by councils.

This is an important area PS; Budget Proposals.

MR. J. WYCLIFFE.- The ministry now has developed a budget standard template which is now circulated throughout all municipal councils and the last quarter of the year, for reporting of their budget. We have a special administrative officer and senior administrative officer are now exclusively put in place to take care of this gap. He is here with us now sitting on my left. He handles specifically financial reporting, budget templates so that there is no gaps. There will be consistency and monies are monitored. One of the areas, of those days going back a few years ago, was how we monitor the acquittals of money spent, especially the capital project. With Alipate being in place, he exclusively monitors the capital expenditure; how monies are being spent. Using that as the behavioural background forecast the need of a council for capital and challenged fund requirements, going forward.

MR. CHAIRMAN.- Any comments on that, Alipate, in terms of budget proposals?

MR. A. MATAIVILIA.- Thank you, Chair. Just the template for this budget analysis is attached on Annex 5. Now we have circulated to all the municipal councils to report their budget in the standard format so that we can easily analyse and give them feedback after we receive the reports from the municipal councils.

MR. CHAIRMAN.- PS, during our investigation of the accounts of the municipalities, we noted that the major income source for the municipalities are the rates, fines, parking meter, hiring out or renting of their properties, premises and government grant for special projects. Now, we also noted that a lot of municipalities have a lot of rates in arrears, adding up to a few hundreds and thousands of dollars. Is the Ministry for Local Government also monitoring how the recovery process is implemented?

MR. J. WYCLIFFE.- Right, there are two parts to that, Chair.

Firstly, the collection is the major issue that all councils have. We put a special collection strategy for each of those and that was a shared services that I spoke about. So, a collective effort with targets of how much to be collected has been put recently into it, so every council has a target to collect and the collections team that will work in collecting it. That is how collection issues are handled the world over, by exclusively resourcing collections. Money is starting to come in. Between now and February, they will know how much to collect and they will go after it. We have not gone down the track of incentivising it yet. In some councils abroad, those are incentives as well.

MR. CHAIRMAN.- Yes.

MR. J. WYCLIFFE.- So, the higher you collect you get an incentive. I do not know if we are at that stage yet as both has a municipal agency as to whether you win a reward but suddenly that is down the pipeline and under discussion. It will be enough motivation to collect more if the staff members are incentivised as to collect.

Other forms of incentive to the citizen themselves, we have rate discounts that we provide, amnesty for people to come forward and pay quick on time. So that is another motivation as well. So, there are some strategies in place which are now starting to work. To achieve of these strategies would be the shared collection unit which would start collecting it. Just one more point to highlight, other sources of income which we have now put in the KPIs is every Municipal Council has at least one investment relationship on a PPP model.

So it could be either domestic or international but irrespective of how small they are, they have to seek one investment international partnership so that they bring in funds, dollars into their Council. Nausori is an example, we got a few places around the country to show where monies have come in and not just created employment, but created trade and a flourishing economy as well, through the PPP model.

MR. CHAIRMAN.- All right. Now we heard previously during our submissions that some jurisdictions, some foreign countries have arrangement with the utility providers like Water Authority and Fiji Electricity Authority where a certain portion of the rate is collected by them and passed back to the Council. It makes things easier for the rate payers and also minimises the issue of arrears. Has such venture been examined here in Fiji?

MR. J. WYCLIFFE.- The Director, has just advised that there is a TOR that is being implemented now to work with other agencies and to have an MOU to work closely and assess them with the collection of the funds. It is not fully realised yet though.

MR. CHAIRMAN.- All right. The other questions that I had is a supplementary one from that is some of these rates are owing for more than six years now, and at some stage it will be statue barred. How will that be compensated, where rates are owing when you cannot legally recover them?

MR. A. KHAN.- Thank you Chairman, we have High Court cases where the judgement has been, that rates do not have a statue by limit.

MR. CHAIRMAN.- There has been some authority on that. It seems convenient and also legitimate in terms of collection of rates.

HON. A.M. RADRODRO.- Supplementary question, apart from the incentives that you highlighted in terms of rate collections, have you also considered working with other stakeholders, apart from utilities companies and border control agencies, to see how you can effectively collect those rates?

MR. J. WYCLIFFE.- Thank you Chairman, and yes, Honourable Member. That is one of the TORs we have for our activities this year; to enter into MOUs with multiple agencies to help them collect the funds, especially the ones that are outstanding for longer periods of time. There has to be an incentive for another agency to partner with us. They have their own workload to undertake so to be able to give that, they should have another incentive as well. Well that is the space where we are working at.

MR. CHAIRMAN.- There is also a procedure under the Local Government Act to put a caveat on properties of people who have not paid rate or owe a debt to the Council. At any time if they want to deal with the property, the caveat will be lifted only when you pay the rates or put the caveat put on the title itself. Has the Local Government or the Councils ventured into the area as well?

MR. J. WYCLIFFE.- Yes, we have. We have done that. Recently we have implemented it through the Councils, especially the most vulnerable ones who have a high debt rate and who deal with business and also large accounts. We have asked them to do that.

MR. CHAIRMAN.- All right. The second bullet point on that sub heading:

Inconsistency in recommending strategies for reduction in rates arrears in Councils. I think that has been answered by you adequately.

Inadequate monitoring of cattle projects:

We have noted that while the Councils are making submissions as well, the monitoring of capital projects, we have had cost over runs. We have had improper workmanship, so is there any strategy with the Local Government to monitor capital projects?

MR. J. WYCLIFFE.- If you can please turn to the attachment, there is a progress report. The monitoring of capital projects internationally is normally measured against the funds spent. So how much you acquit, would reflect the amount of work done. This project progress report shows how its actual was estimated or forecast in terms of progress of the project. What we have done is we have linked it to the budget and how the budget has been acquitted, with a special officer in place on who monitors the capital expenditure.

He then goes around Council by Council on a regular basis and ensures that he has a finance background. We wanted someone with finance background who can go and impact straight away in terms of acquittals and of you push for those acquittals, work automatically happens. Because if you do not work, you do not get paid, and when you get paid you acquit. So that is the model we have followed in terms of improving or improvising that situation we have.

MR. CHAIRMAN.- Is the tender process or quotation process uniform throughout all Municipalities?

MR. J. WYCLIFFE.- Yes, very much uniform, we ensure that there is consistency across the entire Councils; the invitation of tenders; the monitoring in the Tender Committee, all of that follows consistent approach.

MR. CHAIRMAN.- Does the Ministry have building engineers or civil engineers who actually go and monitor or assess the projects independently?

MR. J. WYCLIFFE.- Yes, we do. The Department on its own, does not have an engineer of its own but the Ministry does have a consultant who works with us, who is able to go and monitor and also report.

MR. CHAIRMAN.- So there is an independent assessment?

MR. J. WYCLIFFE.- It is an independent assessment done externally, similar to Clerk of Work, similar description.

MR. A. KHAN.- Sir, to add to that, we also engage the Government Architects Office for peer review and for assisting us in tender evaluation. They also assist us with work in progress and on top of that, we have been getting various effective and quality advice from the Construction Implementation Unit, from time to time, to assist us on assessments.

MR. CHAIRMAN.- The Government's Construction Implementation Unit. All right. In which year was that implemented, the idea of peer assessment?

MR. A. KHAN.- Peer assessment has been implemented from last year, Sir.

MR. CHAIRMAN.- So a lot of these changes have actually been made around 2016 and 2017?

MR. A. KHAN.- Yes.

MR. CHAIRMAN.- All right. That is why it was not reflected in the previous report, we hope to see some of these changes that you have implemented reflected in the reports we get back from the OAG. There were lot of issues regarding quality of work, quality of the issue of tender process, the issue of calling for quotes, so I hope the implementation of these strategies actually minimise those issues.

HON. A.M. RADRODRO.- Sir, just a supplementary question regarding table 6.5; the list of projects that are highlighted there on Page 30. The audit have highlighted that even the MOU does not contain the requirements of monitoring and reporting of the projects. On 6.1.3.3.

MR. A. KHAN.- Chairman, through you, we have taken on board the comments of the Auditor General and have upgraded our structures to ensure that whatever has been highlighted is taken on board. There have been a number of upgrades done for project management at the local Government, given the level of investment that is being driven by Government at local level to improve the towns and to make it more liveable.

We have projects now that ranges from more than a million. We have a special project management team where even engineers that are hired are required to be members of institutes with indemnity cover guaranteed by the engineers. This is to ensure that the structures itself are in conformity with the standards required for developments in Fiji, in particular the national building code.

In the next two to three weeks, the consultation is currently going on with the Ministry of Economy for the development for the Councils to adapt to international Asset Management Manual and a Cabinet paper will soon be submitted and there will be Asset Management Units established at Municipal Councils to ensure that Asset Management itself is a strong unit and is able to manage the public assets at the local level and there is a desired level of the investors.

MR. CHAIRMAN.- Do you also have a unit that actually monitors or does a background check on some of these contractors to see if they are substantive people? Which Council was that which was digging the drain somewhere and then the contractor left and they had to complete it themselves because the contractor did not have any background to compensate? Do you have a team? I think it was in Nausori. They were digging the drain half way and the contractor left so they had to get someone else to do it at their own cost and they could not recover the cost from that contractor because he had nothing.

MR. A. KHAN.- That was a housing project under the Department of Housing but in total, what we are doing is that we require all our contractors to have their structures covered well and we have a reference check structure. We have a requirement structure and then we

also cross check from time to time with the Construction Implementation Unit who are the recognised contractors to ensure that we do not go through such practices.

MR. CHAIRMAN.- Which Department in your Ministry looks after that?

MR. A. KHAN.- For Local Government projects it is the Department of Local Government and for housing it is Department of Housing.

MR. CHAIRMAN.- And for the Municipalities?

MR. J. WYCLIFFE.- If it is Government funded then the Department of Local Government takes care of it.

HON. A.M. RADRODRO.- From the same table there is a challenge fund and investment fund.

MR. CHAIRMAN.- Table number 6.5?

HON. A.M. RADRODRO.- Table 6.5; \$3 million, what is this fund for?

MR. CHAIRMAN.- Provided under Appendix 3.

MR. A. KHAN.- Challenge fund is a matching concept scheme that came into existence following the approval by Cabinet of the Urban Policy Action Plan in 2007. It is a fund established for Councils to continue upgrading towns and cities via the development of specific projects that are service oriented and the rate of returns are low. Therefore, the investment level is supported by the Government to ensure that these services are able to be supported and provided.

These are support areas where the towns have gone through town boundary extension and they lack sporting facilities in the extended areas or within the existing old town boundaries where the developments have not been kept to the level that is desired by the citizens of the area.

MR. CHAIRMAN.- Thank you. The next one:

Failure to carry out analysis of financial reports submitted by Councils. There was some and you have briefed us on that area PS.

MR. J. WYCLIFFE.- Yes, again that gap of analysis and reporting is now taken care of by the IFRAS requirements in terms of how they do their reporting. Secondly, the performance plan also has a strong element of analysis of how they spend the money, plus the project progress also gives a strong analysis side in terms of what was actual against what was forecast and how the money is being spent.

MR. CHAIRMAN.- We move to the last one:

Absence of a requirement to indicate the frequency of submission of financial reports, thus resulting in the inconsistency in submissions by Council

MR. J. WYCLIFFE.-...under the Standard Operating Procedure (SOP) that we have now in place.

MR. CHAIRMAN.- And also the legislation in the Local Government Act?

MR. J. WYCLIFFE.- Yes.

MR. CHAIRMAN.- There is a requirement in the frequency of submission on the financial reports by 31st of May?

MR. J. WYCLIFFE.- 31st of May, yes.

MR. CHAIRMAN.- So that was all the bullet points that we had Members, any further questions arising from those? If not then PS, any final comments in terms of the overall conclusion before we can end the session?

MR. J. WYCLIFFE.- Thank you Chair, thank you Honourable Members, like I mentioned during the break to Honourable Radrodro, some of these questions have just reinforced our commitment to ensure that the path of improvement continues and it does not slip. Thank you very much for all of you for your support and I found this is a very useful and helpful process, thank you very much.

MR. CHAIRMAN.- Thank you PS and special thanks to the team from the Auditor General's Office, we have noted that lot of things that you have picked up in your reports and special audits are actually reflected in the implementation. The changes that the Ministry has made, not only this Ministry, but the other Ministries as well, has brought about some positive changes and it is still reflected in the previous year's reports that we were looking at.

It lacked strategies in certain areas which you have pointed out, and which have been implemented now. I hope that the future reports that this Committee gets will help the bearing of those results. With that I would like to, on behalf of my Committee, thank the team from the Local Government headed by the PS, Mr. Joshua Wycliffe, Director Local Government Mr. Azam Khan, and Usaia and Iliana for your presence this morning. We will definitely take your oral and written submissions in consideration. Thanks for the well bound volumes of documents that we will also be reviewing during our report writing. With that, thank you very much.

The Committee Interview adjourned at 12.51 p.m.