

FINANCIAL YEAR 2016/17



## **OUR VISION**

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

## **OUR MISSION**

Developing a sustainable and successful nation by stimulating investment and exports

# **OUR CORE VALUES**

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

# **PERFORMANCE SNAPSHOT**

This annual report reflects the twelve months from August 2016 to July 2017.



# **415** Foreign Investment projects registered

# FJ\$ 999 million

in proposed investments registered over 3 years

# 4,618

in proposed employment registered over 3 years



# FJ\$ 536 million

In projects implemented generating 2241 jobs this Financial year

# 3,916

Investment facilitation enquiries received

2,473

Companies assisted this Financial year

**1,525** Customer site visits conducted **13** In-bound missions and delegations hosted

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# INTRODUCTION



## **LETTER** TO THE MINISTER

30th January 2018

The Minister for Industry, Trade and Tourism, Lands and Mineral Resources, Honorable Faiyaz Siddiq Koya Ministry of Industry Trade & Tourism Civic Tower, Victoria Parade Suva

Dear Sir

Re: Investment Fiji Annual Report and Statement of Accounts for the seven month ended 2016.

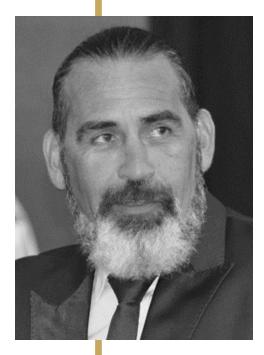
Pursuant to the requirements of section 20 (1) of the Investment Fiji Act No.24 of 1986, I am pleased to submit the Investment Fiji Annual Report and Statement of Accounts for the financial year 2016/17 from 1 August 2016 to 31 July 2017 certified by the Auditors.

Yours sincerely,

**Mr. Truman Bradley** Chairman of the Board

### CHAIRMAN'S FOREWORD

We would like to keep challenging ourselves, and encourage each other to go an extra mile, identify our weaknesses and strengths and strive to be better than what we were this year.



On behalf of the Board of Directors, it is my privilege to present the annual report and consolidated financial statements of Investment Fiji for the financial year 2016/17.

2016/17 was another challenging year for the country as well as Investment Fiji. 2016 especially was the test of time for Fiji as the country battled hard to bounce back from the widespread devastation caused by the Severe Tropical Cyclone Winston.

Due to the impact of TC Winston, the Fijian economy experienced one of the lowest growth of 0.4% in 2016 following strong economic performance in 2015 that stood at 3.8% and 5.6% in 2014. This was attributed to weak performances in the forestry, fisheries, real estate, accommodation and financial and insurance activities sector.

However 2017 started with optimism as the economy slowly recovered from the loss of the cyclone. The economy is forecasted to grow by 3.8%, set to achieve an eighth consecutive year of growth. This growth is largely driven by manufacturing, construction, financial and insurance activities and wholesale and retail sectors. Tourism continued to be the mainstay of the Fijian economy by generating \$1.6billion by the end of 2016. The tourism industry continued to gain momentum into 2017 with visitor arrivals increasing by 6.6% in June 2017.

Despite the adversities, Investment Fiji remained focused and on track to market Fiji as the investment destination in the region. Realizing the task that lay ahead of the organization especially after TC Winston, Investment Fiji did not leave any stones unturned to bring in foreign direct investments in the country that will in turn result in socio economic developments.

A major milestone of Investment Fiji in 2016/17 financial year was the successful implementation of foreign investment projects. One of our core roles is to ensure any investment enquiry is successfully converted into an actual investment project. For this financial period, Investment Fiji implemented projects worth \$536 million, creating more than 2,200 employment opportunities for Fijians.

Investment Fiji has remained focused throughout the year in attracting foreign direct investments. Investment registrations have either met or exceeded the targets. This will generate 4,618 employment opportunities over the period of 3 years. We also catered to 13 in-bound missions mostly from Australia, New Zealand, Thailand and Korea.

The results are a clear indication of strong investor confidence in the Fijian economy with foreign companies showing a genuine interest in establishing their operations in Fiji. As a developing nation, Fiji is punching above its weight to remain the economic powerhouse of the region.

Backed up by the strong support from the Fijian government, Investment Fiji is driven by passion, determination and strong sense of commitment to make a difference to the lives of Fijians by attracting FDIs.

As outlined in the Fijian Trade Policy Framework, Investment Fiji will continue to promote key resource based sectors such as manufacturing, ICT, tourism, audio visual and agriculture that will act as the catalyst for the economic growth in the country.

In its bid to enhance service delivery, and instil a culture of service excellence, we continued to implement our 'Transform to Perform' strategic change program. The program, developed by the CEO and approved by the Board clearly defines Investment Fiji's core functions, mission sand vision as a purpose driven agency advancing Fiji's socio-economic development with measureable performance targets and deliberate initiatives aimed at promoting, stimulating and facilitating direct investment, both foreign (FDI) and local (LDI).

I would like to express my gratitude to the management and staff of Investment Fiji for their contributions, and to the companies who partner with us and contribute to the growth of Fiji. The Executive team has continued to focus on transforming Investment Fiji for sustainable long-term performance.

I take this opportunity to thank the Government and the Ministry of Industry, Trade and Tourism for the support and assistance which has enabled Investment Fiji in carrying out its key functions. I also thank my fellow board directors for their continuous dedication and commitment.

As we reflect on our achievements this year, we are confident of another successful coming year. We would like to keep challenging ourselves, and encourage each other to go an extra mile, identify our weaknesses and strengths and strive to be better than what we were this year.

The team at Investment Fiji is led by a visionary CEO with his sound and focused management who execute their duties with honesty and diligence. We look forward to working closely with the CEO and the leadership team, supporting their efforts as they capitalize on new opportunities, continue to implement the 'Transform to Perform' corporate change program, roll out the CRM system and develop a deeper engagement with local businesses, exporters and foreign investors.

For 2017/18 we are committed to deliver a purpose-driven, visionfocused approach enabling investment flows that advance economic growth and socio-economic development through wealth and job creation as well as stimulating economic activity and sustainable economic linkages and capacity building for future progress.

**Mr. Truman Bradley** Chairman of the Board

## **BOARD** OF DIRECTORS

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

#### **BOARD MEMBERSHIP**

The Board comprises of the Chairman, the Deputy Chairman, the Permanent Secretary of the Ministry of Industry Trade and Tourism, and six other board members. Under the Investment Fiji Act, the Minister for Industry Trade & Tourism appoints the Directors. The Directors may hold office for a period not exceeding two years but are eligible for reappointment.

Investment Fiji ensures the Board is represented by diversity of experience and tenure. The Board consists of 10 key leaders from public and private sectors who can make meaningful contribution towards the organization. No new appointments were made in 2016/17 financial year and the Board consists of Mr. Truman Bradley (Chairman), Mr. Jai Kumar (Deputy Chairman), Mr. Visvanath Das, Dr. Angeela Jokhan Mr. William Singh, Mr. Shaheen Ali (Permanent Secretary, Ministry of Industry Trade and Tourism), Mr. Nemani Vuniwaqa, Mr. Solomoni Nata, Mr. William Situ and Mr. Richard Breen.

#### **BOARD MEETINGS**

Under the Investment Fiji Act 1986, five Directors form the quorum for a meeting of the Board. In the absence of the Chairman, the Deputy Chairman may chair in the Board Meeting.

#### STRATEGIC PLANNING

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

#### **ETHICAL STANDARDS**

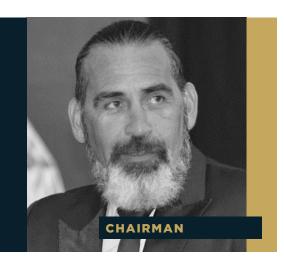
The Board is committed to acting with the utmost integrity and expects the same of every employee at every level of Investment Fiji. Employees are encouraged to raise any matters of concern with their supervisor or Human Resources. The HR Policy also applies to ensure compliance with disclosure requirements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

#### CONFIDENTIALITY

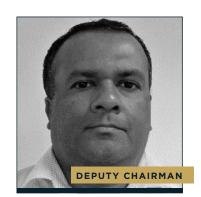
Directors must protect and hold confidential non-public information that comes to them, from whatever source, in their capacity as a Director of the Company, unless disclosure is authorized or required by law. Proceedings and deliberations of the Board and its committees are confidential.

#### **COMMUNICATION WITH THIRD PARTIES**

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



Mr. Truman Bradley



Mr. Jay Kumar



Mr. Shaheen Ali



Mr. Nemani Vuniwaqa



Dr. Angeela Jokhan



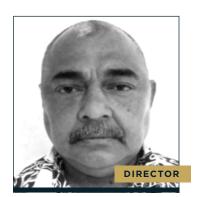
Mr. Solomoni Nata



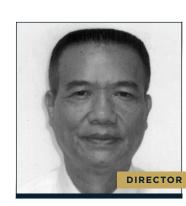
Mr. Richard Breen



Mr. Visvanath Das



Mr. William Singh





## CHIEF EXECUTIVE OFFICER'S REPORT

Investment Fiji had a successful year providing investment related services to the local firms and engaging with investors post-cyclone related reconstruction activities. Better sectoral performance was noted which in turn supported the growth of economy.

A strong performance was noted in the tourism industry, industrial and primary sectors performing favorably, consistent with the recovery momentum while consumption and investment activities remained upbeat. Business confidence remained stable as economic activity improved with the growth in output, new orders and strong job creation in the manufacturing sector with favorable business conditions supported by increased activity in the services sectors.

As statutory body of the Ministry of Industry, Trade & Tourism, we are guided by the overall strategies of Government. Our day-to-day philosophy is driven by a private sector ethos of delivering on our targets, being creative, looking outwardly at the performance of other countries to remain competitive and attracting foreign direct investments (FDI) and facilitating local investment to our country. In the financial year 2016-2017, Investment continued to grow amid favorable labor market and financial conditions and rising business optimism. Investment related activity continued to surge during the year with increases noted in commercial bank's new lending for investment purpose (36.7%) and domestic cement sales (13.7%).

Throughout the reporting period, we have been closely working with local companies assisting them in the execution of their business ventures and investments leading to net investments of \$266.5 million and the creation of 1,956 employment opportunities for Fijian nationals.

We are aspiring to strengthen our business-to-business support, broadening our inward investment footprint and encouraging international business owners to locate or expand offices in Fiji.

Our efforts resulted in the successful registration of 415 foreign direct investment projects, at a projected investment value of \$999.27 million with expected 4,618 employment opportunities for Fijian nationals over a three-year period.

During this year a total 159 foreign investment projects, registered in previous years, became operational at an investment value of \$536.39 million and a realized employment of 2,241. Reinvestment levels increased from \$119.39 million and 1,060 employees in the previous period to \$278.38 million and 2,321 employees during FY2016-2017.

Other performance indicators such as site visits, local investment assistance and investment enquiries were at higher levels than in previous years.

Operating at optimal levels and leveraging Brand Fiji delivers greater outcomes and therefore efforts to enhance our internal systems were incorporated in our operations for this financial year. Value of Agricultural exports were severely affected by Tropical cyclone Winston with export down in 2015. However, early indicators for 2016/2017 saw a strong recovery of this sector. The latest Reserve Bank of Fiji (RBF) business expectations survey indicates positive sentiments though slightly tempered after Winston. Going forward, investment will continue to play a positive role and support the economic growth trajectory.

The Government maintains an investment target of around 25% of GDP that is essential for sustainable growth in the economy. In the 2016/2017 National Budget, the Government allocated \$1.45 billion (14.5% of GDP) for capital expenditure. Increased Government spending on infrastructure and education, coupled with robust private sector sentiment, will support ongoing improvements in the capital stock and potential growth.

Sowing the seeds for future investment and enhancing trade links, Investment Fiji has participated in the Trade and Investment Mission to Singapore in April this year. We also hosted seven In-bound missions and delegations from Japan, Australia, New Zealand China and India.

Our "Transform to Perform" corporate transformation program rolled out the Engagement Model which forms the bedrock of our new customer relationship management (CRM) system aimed at improving our productivity whilst managing Investment Fiji's interactions with current and future clients. The system is designed to organize our current database of investors, exporters and buyers, ensuring our teams are operating collaboratively whilst developing knowledge management program.

I take this opportunity to thank and acknowledge the assistance received by Investment Fiji from the private sector to undertake its key roles and functions.

My sincere appreciation is also extended to the hardworking Investment Fiji team. They continue to work as one, building cross-functional partnerships and adding value to all our stakeholders, local and international. Their

efforts have resulted in major achievements this year, including the Prime Minister's International Business Awards, which was launched in July 2017.

I also wish to acknowledge the support provided by the Government and in particular the Minister for Industry, Trade and Tourism Honorable Faiyaz Siddiq Koya and the Permanent Secretary Mr. Shaheen Ali for their policy directives, advise and financial assistance which enabled us to carry out our role effectively.

Our goal is to improve the business environment and achieve the best possible results for the people of Fiji. I look forward to even greater success in the year ahead and would like to thank the Chair and Board of Directors of Investment Fiji for their support and assistance during the year.

**Mr. Godo Mueller-Teut** Chief Executive Officer

# PERFORMANC MEASURES

## MACROECONOMIC OVERVIEW

The broad based sector growth of 3.8% was supported by increase in manufacturing, financial and insurance activities, construction and wholesale and retail sectors.

2016/17 was the test of times for the Fijian economy as the economy was hit hard by the tropical cyclone Winston after experiencing healthy growth in previous years. Despite the impact of the cyclone, slow growth of international economies and the United States elections that surfaced various theories of the shift in the global economy, the Fiji economy remained stern.

At the end of the 2016/17 financial year, the Fijian economy was revised upwards to 3.8 percent from the previous forecast of 3.6%. This would result in the eighth consecutive year of sustainable growth. This broad based sector growth was supported by increase in manufacturing, financial and insurance activities, construction and wholesale and retail sectors.

Inflation fell to a 14-month low of 2.0 percent by the end of the financial year. The lower outturn was mainly driven by declines in the food & non-alcoholic beverages; health; recreation & culture; clothing & footwear; communication and miscellaneous goods & services categories.

Tourism activity remained buoyant, backed by higher visitor arrivals.

Cumulative to June 2017, visitor arrivals rose on an annual basis by 6.6 percent. Higher visitor arrivals were recorded from New Zealand (14.6%), US (17.7%), Pacific Islands (5.9%), Rest of Asia (19.6%), Australia (0.9%), Continental Europe (7.9%), China (3.2%), Canada (13.9%), India (28.2%), South Korea (8.6%), Japan (5.6%) and Hong Kong (75.7%) which offset lower arrivals from the United Kingdom (UK) (-0.6%).

The resumption and the increased frequency of direct San Francisco-Nadi flights by Fiji Airways is expected to boost visitor arrivals from the US. In 2017, visitor arrivals are anticipated to grow by an annual 5%.

Despite the slow growth in the economy and aftermath of TC Winston, the tourism earnings grew strongly by 5.5% to \$1,674.8 million. Australia and New Zealand contributed the most to total tourism earnings at 54% and 16% respectively. Australia continued to contribute the largest tourism market followed by New Zealand, the United States and Continental Europe.

Investment spending remained firm reflected by upbeat construction activity and increased new investment lending. Cumulative to June, domestic cement sales, an indicator for local construction activity, grew on an annual basis by 14.0 percent. Cumulative to the second quarter of 2017, inward remittances rose by 3.1 percent to \$253.7 million, compared to a 5.9 percent growth in the same period last year.

Reserve Bank of Fiji foreign reserves stood at \$2,283.2 million at the end of June, sufficient to cover 5.7 months of retained imports of goods and non-factor services.

In 2018 and 2019, the economy is expected to grow by 3.6% and 3.2% respectively.

Source: Reserve Bank of Fiji (2016)

## FIJIAN TRADE POLICY FRAMEWORK 2015 - 2025

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

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

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

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

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

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

- Improve human capital and technical skills; and
- Ensure sustainable development and environmental protection.

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



## **GREEN GROWTH** FRAMEWORK

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

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

#### Four key elements are critical for success:

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

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

- 1. Reducing carbon footprints at all levels;
- 2. Improving resource utilisation and productivity;
- 3. Developing a new integrated approach across all stakeholders;
- 4. Strengthening socio-cultural education of responsible environmental stewardship and civic responsibility;
- 5. Increasing the adoption of comprehensive risk management practices;

- 6. Supporting the adoption of sound environment auditing of past and planned developments;
- 7. Enhancing structural reforms in support of fair competition and efficiency; and
- 8. Incentivising investment in the rational and efficient use of natural resources.

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

#### **ENVIRONMENT PILLAR**

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

#### **SOCIAL PILLAR**

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

#### **ECONOMIC PILLAR**

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

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

## FOREIGN INVESTMENT REGULATIONS

#### THE FOREIGN INVESTMENT ACT

In Fiji, foreign investment is governed by the Foreign Investment Act 1999 ('Act'), the Foreign Investment (Amendment) Act 2004, the Foreign Investment Regulation 2009, Foreign Investment (Amendment) Decree 2013 and Foreign Investment (Budget Amendment) Act 2016.

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

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

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

The Foreign Investment (Budget Amendment) Act 2016 was introduced on the basis of creating flexibility and empowerment of registering foreign projects in Fiji. The major inclusion of the provision was to enable Investment Fiji to refuse/approve applications by foreign investors proposal to carry an activity directly or indirectly which are contrary to Fiji's national interest or activity that does not comply with Foreign investment policy may be approved/declined after Investment Fiji Board and line Ministries feedback.

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

In addition there are 8 Restricted Activities that require special consideration for approval, primarily a minimum paid up capital and Fijian national shareholding requirements. Sectors falling under the Restricted Activity list include Fishing, Forestry,

Tobacco Manufacturing, Cultural Heritage Tourism Projects, Real Estate Management / Renting out of Villas to Tourists / Real Estate Development, Construction, Earthmoving Businesses and Interisland Shipping and Passenger services. The list of restricted and reserved activities is reviewed by the Ministry of Industry Trade and Tourism.

#### **ABOUT INVESTMENT FIJI**

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

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

# ABOUT INVESTMENT FIJI



# **OUR ROLE**

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

Investment Fiji fulfills four primary roles: Investment Promotion, Registration and Facilitation as well as Export Promotion.

#### **INVESTMENT PROMOTION**



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

#### **INVESTMENT REGISTRATION**



The Investment Registration Team registers investment projects by issuing the Foreign Investment Registration Certificate (FIRC) and effectively converting an investment enquiry into an actual investment. An online registration system has been launched in July 2015 that allows for registration irrespective of physical location.

#### **INVESTMENT FACILITATION**



The Investment Facilitation Team provides post-establishment aftercare facilitation services for foreign and local investors through to developmental support to retain investment, encourage follow-on investment and achieve greater economic impact. We monitor projects by conducting site visits to ensure investors comply with the laws and requirements.

#### **EXPORT PROMOTION**



The purpose of our Trade and Export team is to increase exports in general, but particularly of those products and services that add value, allow for import substitution and contribute to employment. Our capability support programs are aimed at up-skilling through training and enterprise development as well as cooperation between focused suppliers. Our trade and export support concerns assistance in identifying and entering potential new export markets.

## **INVESTMENT** PROMOTION

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

#### **PRIMARY GOAL**

The primary goal of the Investment promotion team is to increase the quality and quantum of foreign direct investment (FDI) and domestic investment in Fiji. The Division continues to operate along a linear path of generating leads, converting leads to prospects and confirming investment projects. Fiji has a comparable advantage when it comes to investment and doing business, because of its strategic location as the "Hub of the Pacific". Fiji also offers trade and investment incentives including duty concessions, investment allowances, tax exemptions and tax free regions. There are well developed banking and financial institutions, telecommunications and transportation infrastructure, along with an English speaking, well educated workforce. Fiji has dynamic trade arrangements – bilateral, regional and multilateral.

#### WHY FOREIGN DIRECT INVESTMENT (FDI)?

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

#### drives growth.

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

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

#### WHAT ROLE WE PLAY

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

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

Active promotion involves three distinct steps -

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

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



#### WHAT WE ACCOMPLISHED IN 2016/2017

A total of 1238 enquiries on investment opportunities were received from local and foreign investors. Enquiries ranged from information requests on how to start a business, through to full support for potential investors to help them establish a business in Fiji.

Investors from China, Australia, US, New Zealand, Korea and India were interested in all sectors, but particularly services, wholesale and retail and tourism. 146 enquiries were related to joint venture opportunities which is an increase of 18% from last year.

Investment Fiji hosted 13 inbound missions and delegations and were involved in 8 outbound missions.

#### **INVESTMENT MISSIONS - OUTBOUND**

#### Fiji Trade & Investment Symposium Sydney, Australia (October)

The 2016 Fiji Trade & Investment Symposium, Sydney was organised by Fiji

Consulate General's Office Sydney and held at the Intercontinental Hotel, Sydney on 14th October 2016.

The symposium served as an excellent networking platform allowing current and potential investors and exporters to engage with a cross section of Fijian approval agencies. The presence of Honourable Prime Minister and the Honourable Minister for Industry, Trade & Tourism, Land & Mineral Resources allowed for high media coverage, widespread attendance and a captive audience.

The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut delivered a presentation on the investment opportunities that exist in Fiji in particularly ICT, BPO, Agriculture and Tourism sectors. The CEO also highlighted the sound political and economic environment that enhances private sector growth in Fiji.

The symposium presented an opportunity to meet with various industry heads and establish contacts to attract FDI and showcase Fijian made products.

#### Fiji Trade & Investment Symposium Auckland, New Zealand (October)

The 2016 Fiji Trade & Investment Symposium, was organized by Fiji Consulate General's Office Sydney and held at Stamford Plaza, Auckland on 16th October 2016.

The purpose of the symposium was to encourage New Zealand businesses to consider Fiji as an investment destination and raise awareness with potential investors in Auckland. The Chief Executive Officer, Investment Fiji, Mr. Godo Müller-Teut delivered a presentation explaining the investment approval process and generally raise the level of awareness to build investors' confidence and also highlight Fiji's macroeconomic environment.

The symposium presented an opportunity in raising investment awareness and firmly positioning Fiji as the hub of the Pacific.

#### Australia - Fiji Business Council Forum, Brisbane (November)

The Fiji business update seminar was organized by the Australian - Fiji Business Council (AFBC) and was held at the Hilton Hotel, Brisbane, Australia on the 17th November, 2016.

The purpose of the seminar was to build a more effective relationship between Australia and Fiji. The Chief Executive Officer, Investment Fiji Mr. Godo Müller-Teut delivered a presentation on investment approvals process and opportunities in the Tourism, ICT and Agriculture sectors in Fiji with the aim to raise awareness with potential investors in Australia.

The Fiji Business update seminar served as an excellent networking platform allowing current and potential investors and exporters to engage with the CEO of Investment Fiji. Investment Fiji is also keen to work with the AFBC in promoting Fijian opportunities to the Australian press.

## Fiji Trade & Investment Symposium Hong Kong, Guangzhou & Jiangmen, China (May)

The Fiji Trade & Investment symposium was organized by the Fiji Consulate General & Trade Commissioner's Office Shanghai, China from 17th to 20th May, 2017.

The CEO of Investment Fiji, Mr. Godo Müller-Teut attended the symposium on behalf of Investment Fiji and was part of the ministerial delegation, led by the Ministry of Industry and Trade & Tourism, Lands and Mineral Resources, Honorable Mr. Faiyaz Siddiq Koya.

The purpose of attending the symposium was to participate and present, providing an overview of Investment Fiji, a snapshot of the investment climate in Fiji, an outline of the Investment registration process as well as highlights of Investment Opportunities in Fiji to potential Chinese investors. The symposium presented an opportunity to attract potential investors and reinforce the notion that Fiji is an attractive investment destination for Chinese investors.

#### Papua New Guinea Senior Officials Meeting, Port Moresby (April)

The 2nd Fiji and Papua New Guinea Senior Officials Meeting was held at the Sir Manasupe Haus in Port Moresby, Papua New Guinea on 20th April, 2017 and was attended by Senior Officials from Fiji and Papua New Guinea.

Senior Investment Advisor Mr. Kamal Chetty represented Investment Fiji in the meeting. Issues discussed during the meeting were Security, Bilateral Trade & Investment Relation, Development and Technical Assistance and People-to-People Links. The Fijian delegation was led by the Deputy Secretary Policy for Ministry of Foreign Affairs, Mr. Esala Nayasi.

The bilateral forum followed on the reciprocal visit from Honorable Prime Minister Peter O'Neil to Suva in 2012 and the Honorable Prime Minister Josaia Vorege Bainimarama visit to Port Moresby in 2013.



**ANNUAL REPORT** 

#### Malaysia Productivity Corporation Kuala Lumpur, Malaysia (June)

The World Bank arranged a meeting with the Deputy Director General of the Malaysia Productivity Cooperation (MPC), the operational agency of Malaysia's PEMUDAH Task Force in Malaysia on the 4th of June 2017 at the MPC headquarters in Kuala Lumpur, Malaysia.

The purpose of the meeting was to discuss the PEMUDAH Task Force, its purpose and the role MPC has in managing the operational dynamics. Highlighting all 10 World Bank ease of doing business pillars, with the use of MPC measures and outcomes that ensure the rating improves, whilst identifying and incorporating wider economic development issues for further improvement.

The meeting centered around improving the ease of doing business rankings, including the systematic measurements and engagement with World Bank Doing Business team in which Investment Fiji can learn from.





#### World Bank SPIRA Conference Singapore (June)

The World Bank Group organized the Support Program on Investment Policy and Related Areas (SPIRA) Conference that was held on the 1st and 2nd of June, 2017 at the Novotel Clark Quay, Singapore.

The Chief Executive Officer of Investment Fiji, Mr. Godo Müller-Teut, respective heads of investment promotion agencies, senior government officials including Permanent Secretaries and Trade Ministers of 15 nations attended the conference.

The purpose of the conference was to participate in the Support Program on Investment Policy and Related Areas (SPIRA). Also to provide an update of the Investment Policy Global Lead of the Investment Climate Unit, Trade & Competitiveness of the World Bank Group. The CEO of Investment Fiji presented a brief overview of the investment climate in Fiji and how we are working with the World Bank Group on a number of initiatives to improve investment climate.

The outcome of the seminar was for a Memorandum of Understanding to be signed between Singapore Economic Development Board and Investment Fiji. Thus creating numerous opportunities to work with Singapore in attracting Foreign Direct Investment into Fiji. The conference has allowed Investment Fiji to strengthen its relationship with Singapore Economic Development Board.

#### Fiji Trade and Investment Symposium Brisbane, Australia (July)

The Fiji Trade and Investment Symposium was organized by the Fiji's Consulate General and Trade Commissioner's office Sydney in Brisbane from 19th to 22nd of July, 2017. The delegation was led by the Prime Minister, Honourable Josaia Vorege Bainimarama including the Minister for Industry, Trade & Tourism, Lands and Mineral Resources, Honourable Faiyaz Siddig Koya and the Honourable Minister for Agriculture, Rural & Maritime Development & National Disaster Management, Honourable Inia Seruiratu. The symposium aimed at strengthening the trade and investment ties between the Fijian Government and Queensland with focus on ICT, agrobased and mining industries. The Chief Executive Officer of Investment Fiji, Mr. Godo Müller-Teut delivered a presentation focusing on the role of Investment Fiji, the overall investment climate as well as highlighting opportunities across priority sectors, to approximately 150 attendees comprising of senior business leaders and prospective investors from around Brisbane. Investment Fiji engaged with Fijis' Consulate General and Trade Commissioner's office in Australia, Pacific Trade & Investment and Austrade to deepen its relationship, in particular with inbound missions to Fiji.

#### **INVESTMENT MISSIONS - INBOUND**

#### Fiji Building & Construction Mission from Australia (September)

Investment Fiji with Austrade organized the Fiji Building & Construction Mission from 14th to 26th of September, 2016. The main focus of the mission was to understand Fiji's Building and Construction sector for Australian investors which included eight private building and construction companies. The Chief Executive Officer of Investment Fiji, Mr. Godo Müller-Teut delivered a presentation on opportunities in the building and construction sector. Other agencies also presented on the process to setting up a business in Fiji with a number of site visits and one to one meetings organized. The purpose of the mission was to give the Australian companies further knowledge in the building and construction sector of Fiji. Also to increase the pool of new companies applying for tenders in Fiji.





#### Fiji - Thailand Trade & Investment Mission (September)

Investment Fiji in conjunction with the Royal Thai Embassy, Canberra organized the 1st Fiji - Thailand Trade & Investment Mission to Fiji from 16th to 20th of September, 2017 in Suva. The focus for the business mission was agriculture and fisheries sector compromising of seven private sector delegates and two government representatives from Thailand.

The purpose of the mission was to explore investment and trade opportunities in the agriculture and fisheries sectors in Fiji. A number of one to one meetings and site visits were organized by Investment Fiji including a one day seminar to inform the process of doing business in Fiji. Investment Fiji also delivered a presentation focusing on the role of Investment Fiji, the overall investment climate as well as highlighting opportunities in the two sectors in Fiji.

The mission served as an opportunity to promote Fiji's Fisheries and Agriculture sector and Fiji as an investment destination for Thai investors. It was an important mission that allowed Investment Fiji to strengthen relationship with the Royal Thai Embassy, Canberra.

#### Korea Mokpo Maritime University Ship Building and Repairs Mission (February)

Embassy of the Republic of Korea in Fiji and Investment Fiji hosted a

group of investors, researchers and government officials from 15th to 17th September, 2017 in Suva & Lautoka.

The investors were in Fiji to explore opportunities for the Korean Government for possible business ventures in ship repair/ shipbuilding industry. The group was led by the Honorary Consul of Fiji in Busan. A number of site visits and one to one meetings were organized for potential joint ventures. There was also a half day seminar to explain the process of setting up business in Fiji. During the seminar Investment Fiji presented on the role of Investment Fiji in facilitating investments into Fiji and highlighted the opportunities in the sector. The seminar and the one to one meeting gave the delegation a good understanding of the Pacific shipbuilding and repairs industry as Korea has world renowned ship repair and building industry.

The mission provided an opportunity to introduce the Korean delegation to local companies for possible joint venture to cater for increasing demand in ship building and repairs business.

#### Fiji - Hong Kong, Shanghai Trade & Investment Seminar (March)

Investment Fiji hosted a seminar for the group of delegates accompanied by the Fiji Trade Commissioner to Shanghai on the 1st of March, 2017 in Suva. The delegates comprised of senior business executives mainly from



#### Hong Kong and Shanghai.

During the business seminar Investment Fiji presented on investment opportunities in real estate and tourism sector. The seminar gave an insight to investors on incentives and process of setting up business in Fiji.

The mission promoted opportunities in real estate and tourism sector and introduced Fiji as an investment destination for Hong Kong investors

#### Guangdong Boutique Promotion Tour 2017 Exhibition for Pacific Island Countries (April)

Investment Fiji with the China Council for the Promotion of International Trade - Guangdong Committee organized a business seminar and trade exhibition on the 25th of April, 2017 at Grand Pacific Hotel in Suva.

The business delegation comprised of 40 investors from Guangdong, China and were in Fiji to explore joint venture and trade opportunities in Fiji. The purpose of the one day business seminar was to introduce Fiji's investment opportunities in tourism, education, manufacturing, real estate development & management and service sectors.

The Chief Executive Officer of Investment Fiji, Mr. Godo Müller-Teut delivered a presentation focusing on the role of Investment Fiji, the overall investment climate as well as highlighting opportunities across priority

#### sectors.

The business seminar allowed local entrepreneurs and Chinese entrepreneurs to build a new and viable bilateral trade and investment relation on potential partnership. A number of local companies were invited to be part of the seminar and exhibition which allowed for business matching between the different companies present.

#### New Zealand - Fiji Business Council Mission (May)

Investment Fiji in collaboration with the New Zealand-Fiji Business Council hosted a group of investors from prominent New Zealand companies on the 17th of May, 2017 in Fiji.

The purpose of the business mission was to introduce New Zealand companies to Fijian business environment. As part of the mission Investment Fiji organized one day seminar and business connection were made through site visits and one to one meetings. The Chief Executive Officer of Investment Fiji, Mr. Godo Müller-Teut delivered a presentation explaining the investment approval process and generally raise the level of awareness to build investors' confidence and also highlight Fiji's macroeconomic environment. The mission presented an opportunity to showcase Fiji as the business hub of the Pacific and allowed New Zealand companies to interact directly with Fijian companies.



#### China Railway Zhongji Holding Group Co., Ltd (June)

Investment Fiji in conjunction with the Fiji High Commission in Australia organized for an incoming delegation to Fiji from the 12th to 15th of June, 2017.

The exploratory delegation entailed a three days' one to one meetings and site visits from the 13th to 15th of June. Investment Fiji at this juncture coordinated meetings with other relevant agencies and site visits for the visiting investors and the area of interest from the delegates was to be

involved in Government projects moving forward.

The purpose of the mission was to further understand the process of setting up a new business in Fiji. The company has started working with the Fiji Ports Corporation Limited on Ports Project in Fiji.



## **INVESTMENT** FACILITATION

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

As part of our proactive approach to ensure investment enquiries convert to actual investments, Investment Fiji has developed a comprehensive range of post-investment or after-care services.

The reforms initiated by Investment Fiji through its 'Transform to Perform' corporate change program were continued throughout 2016/2017, as we implemented a customer centric investment facilitation strategy aimed at generating a deeper understanding of the investors' business goals.

#### **INVESTMENT REGISTRATIONS IN 2016/2017**

During the reporting period, Investment Fiji attended to a total of 3,916 investment related enquires, which included face-to-face, telephone discussions, emails and written correspondence. Enquiries focused largely on the business environment, tax incentives and concessions; the Dual Citizenship Decree, the Foreign Investment Regulation (FIR) 2009, Foreign Investment (Amendment) Act 2013 and Foreign Investment (Budget Amendment) Act 2016 and other relevant aspects. Compared to the same period 2015/2016 (Aug-Jul), there was an increase of 52% in inquires.

A total 415 Foreign Investment Registration Certificates (FIRC's) were issued at a total proposed investment value of \$999 million and expected employment of 4,618 over a three year period as depicted below. The service sector accounted for 157 projects, followed by wholesale & retail with 113 projects throughout 2016/2017 (Aug-Jul). Tourism projects comprised of 32 projects whilst Agriculture & Forestry Sector recorded 35 project registered in 2016/2017 (Aug-Jul) a growth of nearly 30% when compared to the previous year. During the reporting period, Chinese investors accounted for 44% of total investors, showing particular interest in Wholesale and Retail, Service, Tourism, Real Estate and Manufacturing.

A total 8% of investors were Australians while 9% were from New Zealand and 102 Fijian investors formed joint ventures with foreign investors to conduct business in Fiji. During the reporting period, Chinese investors accounted for 44% of total investors, showing particular interest in Wholesale and Retail, Service, Tourism, Real Estate and Manufacturing. A total 8% of investors were Australians while 9% were from New Zealand and 102 Fijian investors formed joint ventures with foreign investors to conduct business in Fiji. The Tourism Sector continues to attract the majority of capital intensive investments to the country with 32 tourism related projects registered at a \$291 million during the reporting period. The most notable project was the registration of the Chinese owned, Guangxin Investment Co (Fiji) Pte Limited with the proposed investment value of \$200 million with employment level of 100 to undertake integrated tourism development and production of mineral water.

PROJ	ECTS REGI	REGISTERED	
16/17 (AUG-JUL)		15/16 (AUG-JUL)	
415	NO. OF FIRCS ISSUED	355	
999	VALUE (\$ MION) (3YRS)	1,605	
4,618	EMPLOYMENT (3YRS)	4,388	

## PACIFIC CENTERCOM'S LEAP OF FAITH

Since its establishment in 2015, Pacific Centercom (Fiji) Limited's journey to success has been an incredible one. What started as a small business process outsourcing company with close to 60 employees is now a major name in Fiji's BPO industry providing contact center services, business process optimization, technology and travel services to close to 30 local and regional clients. The Suva based BPO center provides service to companies such as Fiji Airways, Telecom Fiji, NewBook, LIDO and OZEIT to name a few.

"Fiji was the most preferred investment destination for our business. It offers great incentives such as tax and duty concessions, world class IT infrastructure with Southern Cross Cable's landing point in Suva complementing our work with high speed internet and connectivity with the rest of the world, well-educated English speaking young workforce, suitable timeframe and conducive business environment," Executive Coordinator of the company, Ms. Natalyn Lakhan said.

The company since its inception has invested close to \$3m and through Investment Fiji's intervention, the continues to grow.

"Investment Fiji has engaged with us on various levels right from the time we initiated the idea of setting up the business in Fiji till now. Investment Fiji acted as a conduit to meet with various ministries and departments to fast track approvals and comply with laws and regulations. We were furnished with research and necessary information by Investment Fiji that further assisted us in establishing our business. We have also been actively involved in the BPO Council of Fiji in conjunction with Investment Fiji to promote the BPO sector" Ms. Lakhan said. Pacific Centercom has been one of the latest BPO Companies to take maximum advantage of Fiji's thriving economy and its pro-growth policies.





"Investment Fiji acted as a conduit to meet with various ministries and departments to fast track approvals and comply with laws and regulations"



#### **PROJECTS IMPLEMENTED**

Investment Fiji monitors registered projects in order to generate a clear understanding when a proposed project becomes implemented. The process concerns the establishment of close relationships with investors, site inspections and collaboration with other government agencies and departments. Projects can take several years to implement from the time of registration in particular in the tourism, real estate, energy and mining sectors. In 2016/17 financial year, a total of 159 projects reached the implementation phase, that is they became commercially operational at a value of \$536 and generating 2,241 full time jobs for Fijians.

IMPLEMENTED PROJECTS FROM 2013 - 2017						
YEAR	NO. OF PROJECTS	VALUE FJ\$ MILLION	FTE			
2013	74	\$319.38	2,583			
2014	74	\$330.53	946			
2015	90	\$363.01	590			
2016*	46	\$212.23	1,398			
2016/2017*	159	\$536.39	2,241			
TOTAL	443	\$1,761.54	7,758			

Fuelled by the 'Transform to Perform' corporate change program, the value implemented projects has been increasing.

Over the 5 year period, from 2013 to 2016/2017 (Aug-Jul), a total 443 projects were implemented at a combined value of FJ\$ 1,761.54 million creating a total of 7,758 full time jobs.

In addition the conversion rate of pro posed to implemented projects has significantly grown from 19 in 2010 to 90 in 2015 and 159 during the reporting year. When compared to 2016 (Aug-Jul) the number of projects implemented and actual value grew by 38% and 7% respectively.

#### **FACILITATION OF REGISTERED PROJECTS**

Investment Fiji conducted 1,525 site visits during this financial period across. A total 963 visits were carried out by the Investment Facilitation team. This involved liaising and attending to issues faced by investors and working with other investment approved agencies by organizing meetings and site visits. Investment Fiji also assisted foreign investors who required work permit or work visa extensions, by providing progress reports to the department of Immigration. Investment Fiji has also assisted 2,473 foreign registered projects in the form of amendments and changes to their business name, business activities, shareholding structure, extension of time, cancellation of FIRC and other requests.



#### **FACILITATION OF REINVESTMENTS**

Reinvestments are also strong indicators of investor confidence in the Fijian economy. While there has been huge interest from prospective investors, existing investors continue to reinvest in Fiji. In 2016/17, reinvestment by 68 investors were valued at \$278 million, an increase of 75% compared to 2015/2016 (Aug-Jul), generating 2,321 employment opportunities for Fijian citizens. As part of achieving economic growth for Fiji, it is imperative that local investment projects are assisted through facilitation that will lead to successful implementation of projects. Investment Fiji assisted 32 local investors valued at \$88 million. These investment ventures by locals have created 853 employment opportunities in the country.







#### APPROVAL PROCESSES AND PROCEDURES

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

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

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

#### SINGLE WINDOW CLEARANCE SYSTEM

An on-line registration system has been launched by the Honorable Prime Minister in July 2015. The on-line gateway allows investors to deal directly with Tier One agencies of the Fijian Government to obtain the necessary approvals and make the necessary payments. Investors can now reserve and register their company name with the Companies Office, can obtain a tax identification number from FRCA, obtain share issue approvals from the Reserve Bank as well as obtaining their Foreign Investment Registration certificate. Creating an efficient platform that improves the ease of doing business in Fiji has been a long-standing goal for government. The system not only expedites the processing time, but it also allows for greater levels of transparency as investor are able to track and monitor the progress of their applications across all agencies. A promotional video has been commissioned highlighting the 7 steps to investing Fiji.

## TRADE & EXPORT PROMOTION

The primary goal of the Export Promotion Team is to work with new and established exporters in upskilling and promoting their products and services overseas.

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

It is therefore imperative that we provide our exporters with the right pool of knowledge and capacity building. We conduct market research and assist the exporters in finding suitable markets for their products. We also introduce local exporters to capacity building trainings and workshops where they are instilled with innovative ideas of exporting. We also influence policy via research evidence to assist small and medium business as well as promote sustainable trade and investment.

#### **TRADE AND EXPORT OVERVIEW**

In 2016/17 financial year (Aug 2016- Jul 2017), Fiji's total exports equated to \$1.93 billion of which \$1.1 billion were domestic exports, classified as products originating from Fiji. The United States is the largest domestic export market for Fiji with a value of \$329 million predominantly derived from mineral water exports. Our top export partners are the United States, Australia, New Zealand, United Kingdom, Netherlands, Samoa, Tonga, Japan and Kiribati. Gold exports made the majority of exports to Australia whilst United Kingdom primarily concerned with Sugarcane destined for the European Union markets. Promoting exports, assisting our local exporters benchmark to international standards is one of the important pillars of Investment Fiji. We believe our local products can compete against some of the best in the world.

#### **EXPORT ASSISTANCE**

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

This inclusive business model is an operational path to short, medium, and long-term productivity growth, that allows Investment Fiji to capture and understand customer businesses, define why and how Investment Fiji is working with customers, set clearly defined outcomes of the engagement and assign transparent individual SMART activities that deliver on the promise. Following extensive research into global best practice, Investment Fiji have adapted the highly regarded Business Model Canvass concept, a strategic management and entrepreneurial tool that allows us to describe, design, challenge, invent, and pivot any business model. Investment Fiji understands that exporters products and services will need to stand out against international competition if they are to succeed.

Our Trade & Export team is working on developing new capability support programs as well as internationalization programs. Our capability support programs are designed to build up the capacity of exporters through training and enterprise development as well co-operation between focused suppliers. Internationalization programs entail market research, introductions and targeted result driven missions as well as domestic seminars, online tools and printed materials aimed at advising exporters on market trends and potential entry strategies.

This key service is part of Investment Fiji support designed to maximize long-term benefits and to develop a comparative advantage for Fiji.

#### **BUILDING OUR EXPORT BASE**

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

With our successful launch of Export Engagement Strategy, Investment Fiji has actively engaged with a total of 126 exporters. This has created a platform to understand exporters' success stories, problems, aspirations and concerns., therefore, allowing us to map our exporters by demographic representation, such as location, capacity, potential and markets served.

This has allowed us to identify approximately 90% of companies from 126 interested in finding suitable markets by connecting and building relationship with embassies, trade offices in overseas and regulatory agencies for assistance purpose.

Our trade and export support services are developing 'one-stop' services that will allow businesses to have an insight into customer desires through market research, investigate the regulatory environment and red tape, potential distribution channels and advise on general business etiquette.

#### FIJI THE 'HUB OF THE PACIFIC'

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

Our national airline, Fiji Airways, provides excellent service connectivity across Fiji, the Pacific, Honolulu, Los Angeles, San Francisco, Brisbane, Sydney, Melbourne, Auckland, Wellington, Christchurch and Hong Kong. The direct flight to Singapore now provides significantly enhanced connectivity to South East Asia and India. These connections do not only cater to tourist and business travelers but also enable our trading houses to export perishable commodities in a fast and efficient manner. Being the "Hub of the Pacific" Fiji is also a strategic transshipment center for cargo traded between the Pacific Island States. Total Exports to Pacific Island Countries (PICs) equated to \$439.1m, exceeding total combined exports to New Zealand and Australia of \$418.8m.

During 2016/17 (Aug 2016- July 2017) total exports were valued at \$1.93 billion of which \$791 million or 41% were re-exports. Re-Exports to Pacific Island countries amounted to \$201.7 million with Tonga being the largest re-export market at \$65.2 million, followed by Kiribati (\$36.7 million), Cook Islands (\$24.8 million), Samoa (\$12.5 million), Tuvalu (\$10.8 million), Vanuatu (\$10.1 million), Wallis and Futuna Islands (\$9.5 million), American Samoa (\$6.2 million), Papua New Guinea (\$6.1 million) and Solomon Islands (\$5.8 million)- thereby clearly positioning Fiji as the true commercial hub of the Pacific. Other Re-exports included China with \$75.8 million, New Zealand (\$58.9 million), Australia (\$45.4 million), Japan \$39.8 million and United States (\$30.7 million).

Fiji has a positive balance of trade with the Pacific Island Countries at a combined value of \$415.1 million. Whilst the Balance of Trade with Australia and New Zealand is clearly against Fiji with negative \$1.2 billion.

These figures clearly show the significance of the Pacific Islands for Fijian exports both domestic and from a re-export perspective thereby clearly demonstrating Fiji's position as the commercial hub of the Pacific.

Fiji is part of a number of trade agreements that provide direct access of key export destinations across the Pacific Islands, Australia, New Zealand and the European Union.

The Melanesian Spearhead Group (MSG) Trade Agreement which is a free trade agreement that allows trade to take place freely between Fiji, Papua New Guinea, Vanuatu and Solomon Islands;

The Pacific Island Countries Trade Agreement (PICTA), which seeks to establish a free trade area among the fourteen Forum Island Countries (FICs).

The Interim Economic Partnership Agreement (IEPA) which by Fiji and Papua New Guinea, and the European Community and signed by Fiji in December 2009. The IEPA provides duty free and quota free market access on all products from Fiji except for sugar and rice, which are subjected to longer transitional periods.

The South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), which is a non-reciprocal agreement that allows Fiji and other Forum Island Countries (FICs) to export almost all of their products to Australia and New Zealand duty free. Fiji also benefits from the SPARTECA-TCF Scheme which allows its textiles, clothing and footwear (except wool and wool blend fabrics) to be exported to Australia duty free under more favourable rules of origin.





#### WHAT WE ACCOMPLISHED IN 2016/17

A total 270 trade and export enquiries were received from local and foreign companies during the reporting period. Enquiries over this period were focused mainly on access to overseas market, market growth, land availability for the expansion of current businesses, biosecurity information on importing markets and overall contacts.

The division conducted 190 exporter site visits during this period. Majority of sites visited were conducted in central division while regional office facilitated for the northern and western divisions. Majority of these enquires and site visits were related to agriculture, manufacturing, services, fisheries and mineral water sectors.

As the secretariat of the Fiji-PNG Business Council, the division organized seven meeting of the Council and attended monthly Fiji-US Business Council meeting as co-opted executive member.

Trade and Export Division in collaboration with Ministry of Industry, Trade and Tourism facilitated Fijian Made Campaign Registration. Out of the eighteen (18) companies who were assisted with registration of Fijian Made Emblem, eight (8) have been successfully registered. These companies are: Green Gold Kava, Cacao Fiji, Confectionaries (Fiji) Ltd, Golden Ocean Fish Ltd, Coca Cola Amatil (Fiji) Ltd, Sunergise (Fiji) Ltd, J Kevi Groups and Kahuna Herbal Products.

To successfully promote Fijian Made Products, the division actively hosted, attended and facilitated number of meetings, mission and events.

#### **TRADE MISSIONS - INBOUND**

#### Trade Mission from Tokyo, Japan (Dec)

Investment Fiji in collaboration with Fiji Embassy based in Japan, facilitated trade mission from Tokyo. The company "Manaka Inc." has been in ginger business for over 50 years and is starting a new project in Southern Hemisphere. The company produces fresh, salted and pickled ginger. Manaka Inc. educates famers on contracting ginger activities. The objective of the trade mission was to explore exporters in Fiji who can supply salted and fresh ginger by showcasing some of Fiji's best ginger farms. This provided great platform for both government and private sectors to work together to ensure that Fijian exports are successful in the Japanese market.

Investment Fiji met with Mr. Takamichi and Mr. Manaka to introduce the role of Investment Fiji. The mission was a great success as they had opportunity to network and discussion viable business opportunity with potential ginger exporters. The mission also met with the Ministry of Agriculture and Sai Yee Foods Industries Ltd to discuss trade opportunities. The Manaka Inc. agreed to import first consignment of ginger from Frespac in March 2017.

#### Guangdong Boutique Promotion Tour 2017 Exhibition for Pacific Island Countries (April)

Investment Fiji assisted in facilitating a seminar for a delegation of 40 investors from 30 Guangdong based companies on a trade and investment mission to Fiji on 25th April 2017 at Grand Pacific Hotel, Suva. The main organizer was the China Council for the Promotion of International Trade - Guangdong Committee. Altogether the seminar saw 80 people in attendance including local entrepreneurs.

The main sectors of interests were bilateral trade, tourism, education, manufacturing, real estate development & management and services. Fijian Entrepreneurs had the opportunity to network with Chinese Entrepreneurs and establish new and viable business partnerships.



#### MISSIONS, SEMINARS AND EVENTS Fijian Tourism Expo 2017 (May)

The Fijian Tourism Expo (FTE) is Fiji's premier tourism industry event in the country. Hosted by Tourism Fiji, , the event provides a cross-sectoral platform for partners in the tourism industry to engage directly with international buyers and travel trade media.





The 2017 Fijian Tourism Expo was held at the Sheraton Convention Centre, Denarau Nadi from the 4th to 5th May 2017. The event was officially opened by the President Jioji Konrote. Investment Fiji in conjunction with the Ministry of Industry, Trade and Tourism participated in the event to promote incentive and investment ventures into Fiji. The event saw a lot of interests shown in investing in the Tourism Industry through more activities based programs such as MICE, photo tourism, cultural exchange programs, yachting activities and a more hands approach programs. During the event Investment Fiji provided relevant information and assistance to number of enquires related to trade and investment from investors and exporters.



Ministry of Employment Productivity & Industrial Relations (Sept 2016)

Investment Fiji and Ministry of Employment Productivity & Industrial Relations met to address the concerns raised by exporters with regards to lack of skill workers and brain drain issues. The Ministry applauded Investment Fiji for bring this issue to their attention and agreed to work in partnership with Universities to come up with sustainable solution.



### **Organic Certification Presentation (Dec 2016)**

Investment Fiji in collaboration with SPC organized an Organic Certification Presentation. Mr. Stephen Hazelman, Team Leader for POETCom program delivered a presentation on Participatory Guarantee System and steps in obtaining Organic Certification. The meeting was attended by Ministry of Industry, Trade and Tourism; Ministry of Agriculture, Organic Fiji, Surti's Investment Limited and Ranadi Plantation.

The main purpose of the meeting was to share information with local Fijian exporters and providing assistance and guidance in obtaining organic certification.

# Enhance Trade Capacities of Pacific Agribusiness and Improve Access to International Markets (Jan 2017)

The Pacific Islands Private Sector Organisation (PIPSO), in partnership with the ACP-EU TBT Programme, held the validation workshop of the Project "Enhance Trade Capacities of Pacific Agribusiness and Improve Access to International Markets".



The European Union Ambassador to Fiji and the Pacific, H.E Andrew Jacobs, formally opened the one-day workshop at the Tanoa Plaza Hotel in Suva. The workshop was attended by representatives from the ACP-EU TBT Programme, PIPSO, the European Union, the Ministry of Agriculture and Ministry of Health in Fiji, the Ministry of Agriculture and Food, Forestry and Fisheries in Tonga and representatives of the private sector.



The program assisted 20 Service- Providers on food safety standards (HACCP, ISO 22000:2005, BRC-7 and GLOBAL G.A.P) from Fiji and Tonga. Six exporters from Fiji participated and these were namely Joe's Farm; Farm Boy; Magere Exports, Salens Export, Bilo Sinai and Produce Processing.

The workshop marked the end of this successful project and covered a range of items, including lessons learnt in assisting local agribusiness SMEs, the role of certification bodies in the region, requirements for exporting fruits and vegetables to regional markets as well as the effects of food and safety requirements on Pacific businesses.

### Market Development Facility (Feb 2017)

The Trade & Export Division met with MDF representatives Mr. Rofiqul Rana – Senior Market Development Adviser and Ms. Miliana Ratu – Fiji Country Coordinator.

The focus of the meeting was aimed at seeking MDF's position in working with Ministry of Industry, Trade and Tourism and Investment Fiji to develop and launch Export Guide together with trade & export seminar. The meeting was a success as MDF is happy to provide technical assistance, financial support, sign an MOU and promoting Fiji as premier destination for trade and investment.

### Trade Facilitation (WTO) Workshop (June 2017)

The workshop was hosted in collaboration with World Bank Group, Ministry of Industry, Trade & Tourism (MITT) and Fiji Revenue and Customs Authority (FRCA).

The purpose of this workshop was to create national awareness and strategy on trade facilitation to its 25 core and 16 co-opt members respectively. Investment Fiji is listed as one of the co-opt members for the national trade facilitation committee. Trade facilitation is the simplification and harmonization of international trade procedures, including activities, practices and formalities involved in collecting, presenting, communications and processing data required for the movement of goods in international trade.

The workshop was a success as Investment Fiji is listed as the members for communications working group.

### Fiji Path to Market workshop 2017 (May 2017)

The 2017 'Path to Market' workshop was hosted by Pacific Trade & Invest , Fiji Export Council at Fiji and Commerce Employers Federation on Friday, the 19th of May 2017.

The workshop targeted Fijian exporters and potential exporters who were not export ready so that they can get good understanding of the attributes of a successful export company and export products.

The discussions were based on New Zealand market with the main speakers being the PT&I Trade Commissioner – Mr. Michael Greenslade, PT&I Business Development Manager – Mr. Ian Furlong and PT&I COO & Head of Investments – Mr. Manuel Valdez.

Investment Fiji's presence at this workshop was acknowledged and provided excellent platform to network and building relationship with individuals. Investment Fiji had an opportunity to inform exporters on its roles and how we assist exporters to stimulate trade and investment.

### National Women's Expo 2017 (June 2017)

Investment Fiji participated at 2017 Fiji National Women's Expo organized by Ministry of Women, Children and Poverty Alleviation at Vodafone Arena. The expo provided a platform for rural women to showcase their talents and sell their products; mostly handicrafts. These women were mainly from the interior villages and many travelled from rural and outer Islands. Women had very little knowledge of export market and were not aware of how to enter into export market despite having many years of experience in the local market. The Expo was a success as Investment Fiji is working in partnership with National Centre for Small and Micro Enterprises Development (NCSMED) to assist rural women in develop their businesses.



# **REGIONAL OFFICE** FACILITATION

### **INVESTMENT MISSION - INBOUND**

Lion One Limited and Ansteel Capital Asia Global Engineering Inc 10 Member Delegation from Canada and China facilitated in Lautoka Office led by Mr. Stephen Mann – Managing Director of Lion One Limited. Lion One Limited is a registered project in February 2008 with FIRC to undertake "exploration, feasibility and mine development". It has initiated its exploration work in Tuvatu, Sabeto and with the company administration office based in Nadi.

Ansteel Capital Asia Global Engineering Inc. is a Chinese Government Company. Ansteel Team led by Ms. Daisy Zhu the Vice President – Business Development came into agreement to construct the Tuvatu Site for Lion One Limited on an approximate cost of over FJD100 million to construct within 18th months. The two companies were advised on the construction business activity as a restricted activity at least FJD 1 million in owner's contribution or paid up capital for companies in the form of cash from the operational date. Strictly; the activity of Ansteel Capital Asia Engineering Inc. is limit to the overall construction works of the Lion One Limited.

### **Rev 3 Development - New Zealand**

Rev 3 Developments have been in contact with the Directors of PalmLea Farms – an established freehold 20 acres eco – agritourism Lodge & Villas. Apart from plan to purchase PalmLea Farms; there are freehold 40 acres of land available side by side from PalmLea Farms where negotiations in progress.

Rev 3 Developments plans is to engage in an integrated tourism development, real estate and later into real estate developments. The Delegation was advised accordingly on policies; opportunities in the Northern Division.

### Setouchi Holdings (PNG) Limited - Papua New Guinea & Japan

Setouchi Holding INC based in Japan was established in September 2011. Its main business activities is Aviation, Ship Building and Constructions. With two serious of meetings the company will close the Papua New Guinea Branch to fully move to Fiji as hub of the Pacific since they have their interest in other Pacific Islands. The company planned to be operating officially in Fiji from October 2017.







### JOINT VENTURE OPPORTUNITIES

The Regional Office facilitated joint venture opportunities with registered Investors who wish to work with resources owners and existing businesses. The opportunities increased from resource owners in the tourism projects. These were resource owners from the Malolo, Mamanucas and the Yasawa Groups of Islands. The Malolo Group of Islands seem to be ideal to most niche investors especially Tourism where a few major hotels and resorts are based and are currently in development stages – Vunabaka Development Limited to trade as Six Senses. The Regional Office worked closely with the Nadroga/Navosa Provincial Office in Sigatoka, the Itaukei Affairs Board and Ministry of Itaukei Affairs in identifying marketable and ideal lands in Momi, Malolo and Mamanuca for Tourism Development.

### **Guang Tuo Investment PTE Limited**

The facilitation of Guang Tuo Investment PTE Limited and Cowbell Limited to work in partnership to develop an Integrated English Language School and Service Apartment in Nadi. The Regional Office facilitated meetings with all relevant government agencies for enlightenment of the projects and to work along with the Investors on applications for land transfers, permits to construct and other relevant applications lodged.

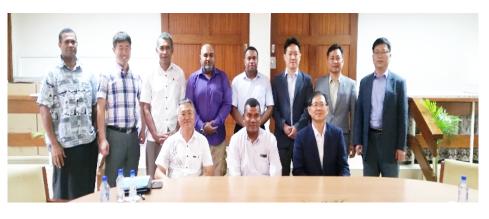
### Pax & Partners (Fiji) PTE Limited

Investment Fiji worked closely with the Vanua of Navitilevu and Nalawa in Ra for joint venture partnership to utilize the available lands for the plantation of "Bainicagi" a plant use for Biomass.

The Regional Office worked in collaboration with the Provincial Office of Ra, Itaukei Affairs Board, Itaukei Land Trust Board, Ministry of Forest, Ministry of Fisheries, Department of Environment and Department of Town & Country Planning for the facilitation in creating awareness and consultation and in bring the vanua together for this project.









### FOREIGN PROJECT FACILITATION

### Nabou Green Energy Limited - Nadroga

The Regional Office facilitated some of the request from the company towards its completion and its opening in 2017.



### Pandey Momi Bay Limited - Nadroga

Pandey Momi Bay Limited purchased the Seashell Resort at Momi Bay. Investment Fiji facilitated a brief with all relevant government agencies at the Nadroga/Navosa Provincial Office before the consultation with the Vanua of Momi for their final consent on the land and waiver of fishing rights. This development once completed will be the new Sofitel Resort at Momi Bay.



### Wavi Island Limited - Savusavu

The final Waiver of Fishing Consultation was facilitated by Investment Fiji in the Tikina of Nasavusavu with the Cakaudrove Provincial Office, Ministry of Lands, Ministry of Fisheries, Ministry of Itaukei Affairs, Department of Environment and Department of Town & Country Planning. The quantum sum was finalized and submitted to the Investor.

### Nawi Island Limited - Savusavu

The Regional Office facilitated meetings through the North Inter Agency Committee and other Stakeholders on the final public consultation of the marina development mainly on the mangrove management plan that took a lengthy process.



### Paradise PTE Limited T/A Tropical Paradise Adventures - Nadi

The Investors faced some delays in the processing of the LH Plates in order to have better access into Nadi International Airports for pick and drop off of their guests. Meetings with Airports Fiji Limited, Land Transport Authority was coordinated to assist the Investors for their LH Permits and Road Contract License.

### **EXPORT ENGAGEMENT AND FACILITATION**

The Regional Office assisted many Exporters that are based in the West and North with our Engagement Plan to have a better understanding of their business operations and assistance that can be facilitated by Investment Fiji.

Some of the Exporters assisted have grown over the years have increased in exports, new markets and winning some of the Prime Ministers International Business Awards Categories.



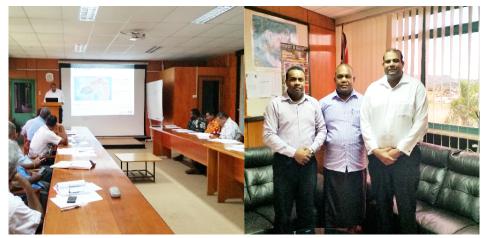


### **REGIONAL SEMINARS/WORKSHOPS**

The Regional Office coordinated seminars/workshops in the West and North to assist Investors and Exporters.



### **INTER AGENCY MEETINGS**



The Inter Agency and Taskforce Meetings is a platform to share and address issues that Investors encountered during their business journey in obtaining approvals from government agencies and also to work in partnership to assist Investors and Exporters.

# HUMAN RESOURCES OVERVIEW

### **ORGANIZATION RESTRUCTURE**

Investment Fiji has three major divisions with the following key responsibilities:

- Investment Promotion Division
- Investment Facilitation Division
- Trade and Export Division

### TRAINING AND DEVELOPMENT

Training has always been an integral part of Investment Fiji's capacity building. This year we have attended both local and overseas trainings to boost the knowledge base and information exchange. These involved training levied to Investment Promotion and Development whereby Investment Promotion Manager attended a month long training in Japan. Investment Fiji worked on the IT knowledge base as well and the IT Manager attended a week long training in Australia. The other trainings were levied towards skills development and were conducted internally and by Fiji National University.

### HEALTH AND SAFETY IN THE WORKPLACE

With health and safety in mind, all our office infrastructures are consistently upgraded . One such area was getting in new chairs and ergonomic designed workstations.

The year ended with zero injuries and zero accidents although many hazards appeared during the refurbishment and repair exercise. Staff observed caution signage and notices placed prominently around the office.



The success of our 'Transform to Perform' Corporate Change Program depends in part on our ability to retain, motivate, develop, and continue to attract employees with the skills and experience to help Investment Fiji master challenges and make the most of opportunities. Investing in our employees remains of paramount importance.

As a control function of Investment Fiji, the role of HR has changed in recent years. More than ever, it operates in partnership with senior management and all business divisions and infrastructure functions. Key to this role has been its continued focus on bringing Investment Fiji's values and beliefs to life through a long-term vision for the HR function, and specific commitments underpinning that vision.

Investment Fiji has a dedicated team of employees. In our efforts to boost our service delivery, we recruited 10 new employees in 2016- 2017 (Aug 16-July 17). To retain and motivate the current team we have promoted 4 staff within the organizational hierarchy.

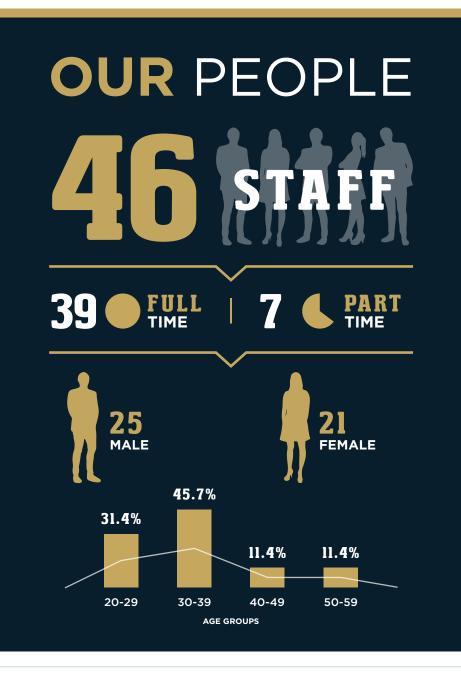
The manpower levels sits at 46 staff by the end of financial year which includes some temporary staff who are hired to complete the CRM Database Project .

### **OPPORTUNITIES TO THE YOUNG**

Over the years our efforts have been to recruit and train young Fijians and this year we have trained and mentored 7 people. These staffs were fresh graduates and had less or no experience in the formal work sector.

Furthermore, we are having a very young and dynamic Management Team, as 83.33 % of our Managers are under the age of 35.

Investment Fiji believes in continuous on-job training and mentoring. Our Annual Performance Reviews include Personal Development Goals which are reviewed on a bi-annual basis. These goals allow us in supporting our team members career aspirations.



# PRIME MINISTER'S INTERNATIONAL BUSINESS AWARDS



The 2016 Westpac Prime Minister's International Business Awards successfully embarked on another journey to recognize and reward the movers and shakers of the Fijian economy- the exporters.

Exporters continue to play a major role in the growth of the Fijian economy and improve Fiji's socio- economic status. In 2016, Fiji's total exports accounted for 24% of the Gross Domestic Product. Fiji's total exporters amounted to \$1.94 billion out of which \$1.12billion dollars were domestic exports or commodities that are produced in Fiji.

2016 Westpac Prime Minister's International Business Awards was another momentous event in the country as we acknowledged the perseverance and resilience of our exporters after the wake up Category 5 Severe Tropical Cyclone Winston. Twelve outstanding exporters were recognised by the Chief Guest, Attorney General, Honourable Aiyaz Sayed- Khaiyum for their efforts and contribution to the exporting industry and the growth of the country's economy.

### 2016 WESTPAC PRIME MINISTER'S INTERNATIONAL BUSINESS SUPREME AWARD

This Award is presented to a company that had demonstrated significant and sustained international growth along with clear understanding of overseas markets. The winner should have demonstrated commercial success and outlined benefits across multiple facets including job creation, innovation service excellence and social responsibility

### WINNER - Rosie Holiday Travel Group



The judges awarded Rosie Holidays the Supreme Award due to their significant level of foreign exchange earnings, constant innovation, clear and compelling marketing strategies, strong community ties and their exceptional level of customer service, where going the extra mile is always accompanied with a smile.



# **GENERAL AWARDS** CATEGORY

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

### Westpac Best Small Business Operating Internationally Award

Presented to a Company with foreign exchange earnings of up to F\$1 million.

### Westpac Best Medium Business Operating Internationally Award

Presented to a company with foreign exchange earnings between F\$1 million – F\$5 million.

### Westpac Best Large Business Operating Internationally Award

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



WINNER South Pacific Elixers T/A Taki Mai

Judges admired the vision, uniqueness and growth strategy and praised the company's commitment to sustainability.

Total and export revenue has grown by more than 100% in the last three years, staff numbers have doubled and the number of significant export markets have increased.

WINNER

**Foneology Solutions Limited** 

WINNER Sunergise Fiji Limited

The company has completed over 20 major projects, including the world's largest marina installation at Port Denarau, and through their solar installations have saved 7,700 metric tonnes of greenhouse gas emissions.



# SPECIAL AWARDS CATEGORY

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

### Technix Pacific Limited Emerging Exporter of the Year Award

for excellence in a niche market through creativity.

### Swire Shipping Re-Exporter of the Year Award

Presented to company that has excelled in reexporting, this manifesting Fiji as the true hub of the region.

### The Ministry of Industry, Trade and Tourism (MITT) Excellence in Innovation Award

presented to a company in recognition for their innovative product and service development and business models.



WINNER Green Gold Kava Dealers

The owners of Green Gold Kava firmly believe in working with and training farmers in growing the high variety kava for maximum returns to the farmer. From the commencement of their business in 2014, total and export sales have increased more than 100%. WINNER Asaleo Care

Re-exporting a number of well known brands such as Treasures, Orchid, and TENA across the Pacific, exportsales have grown an impressive 23% year on year over the last three years.

WINNER Rosie Holiday Travel Group

Rosie Holidays created Fijian history in February of this year by chartering six Fiji Airways A330-300 aircraft and operating them non-stop from Beijing and Shanghai in China and from Taipei in Taiwan to Fiji.



# SPECIAL AWARDS CATEGORY

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

### Vodadone Excellence in E-Commerce Award

Presented to a business that has demonstrated successful e-commerce approached to market products or service internationally

### Life Insurance Corporation of India (LICI) Excellence in Service Award

Presented to a business that has customer centric approaches where customer is truly the kind.

### Reserve Bank of Fiji (RBF) Primary Industry Business Excellence Award

Presented to a company for outstanding export results in agriculture, forests and fisheries.



WINNER Pure Fiji Limited

Significant changes have included website redevelopment to a mobile first responsive design, a new e-commerce platform, as well as moving its entire ordering process for wholesale customers in Fiji to an on-line e-commerce system. These changes have resulted in increased sales and streamlined operations.

### WINNER Foneology Solutions Limited

Since 2009 Foneology has repaired and refurbished mobile phones under warranty from an increasing number of countries in the Pacific and Asia. Looking after customers with exceptional customer service has been recognised internationally with awards such as the Samsung Outstanding Performance Award received in early 2016.

### WINNER Ben's Trading

With their "farm to fork" methodology, vertical integration guarantees that their produce is always of premium quality and freshness on the supermarket shelves. Ben's Trading buy from a large number of farmers from around Fiji, ensuring that in times of natural disaster, supply risk is minimised.



# SPECIAL AWARDS CATEGORY

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

### Golden Manufacturers Excellence in Business Leadership Award

Presented to an individual who has shaped business environment in Fiji through his steadfast leadership.



### WINNER Mohammed Tazim

As Chief Executive Officer of Hygiene and Sanitization Services, Mr. Tazim is passionate about his company and the staff who work with him. His participative management style coupled with the company's dedication to customer service has seen the company win a number of awards and citations.





### Tropik Wood Industries Socially Responsible Business of the Year Award

Presented to a company for demonstrating a positive , sustainable and societal impact as part of their business journey.



### WINNER Vodafone

Vodafone's ATH Foundation leads the way in terms of setting the standard for other organizations in terms of engagement with the community, and how their work positively impacts on Fijian lives. Since inception in 2004, Vodafone's ATH Foundation has invested over \$18 million into various community projects and initiatives that have made a difference to many Fijians' lives



Prime Minister's International Business Awards 2017



Investment **Fy** 

## LAUNCH OF THE 2017 PRIME MINISTER'S INTERNATIONAL BUSINESS AWARDS

Prime Minister's International Business Awards is THE premier event in the country where not only the success of Fijian Businesses but their contribution towards Fiji's thriving economy was recognized. The Awards provided an opportunity for Fijian businesses to benchmark performance, build capability, inspire to innovate, showcase service excellence, support job creation and boost employee morale.

The theme for 2017 Prime Minister's International Business **Awards Achieving Sustainable Economic Growth**. The importance of a sustainable economy can not be emphasized enough. Sustainable development is about integrating all of our present day needs with the needs of society, the environment and global citizenship, in a way that does not compromise future generations.

The Awards aspire to encourage local businesses to look beyond their reach, challenge their limitations, break the barriers and punch above its weight through ingenious approaches. Any business, whether big or small has major contribution towards the development of the nation. Any business, through ingenuity can reach the epitome of success and excellence and be a leader in their respective industry. All these businesses need, is a little recognition. Prime Minister's International Business Awards hails such businesses for their tenacity and dedication towards the Fijian economy.

The Prime Minister's International Business Awards were launched by the Minister for Industry Trade & Tourism, Honorable Faiyaz Siddiq Koya on the 7th of July 2017 at the Grand Pacific Hotel, Suva and attended by over 150 business leaders, the diplomatic corps and senior government officials.



**INVESTMENT FIJI** 



*The Awards consist of The Supreme Award, 3 General Categories and 8 Special Awards.* 

The Supreme Award, proudly sponsored by Kookai is not directly entered but selected from all applications recognizing they have excelled in every part of the Awards. The Awards will be presented to a company that has demonstrated significant international growth, along with a clear understanding of overseas market. The Winner of Supreme Award will have demonstrated commercial success and outlined benefits across multiple facets including job creation, innovation, service excellence and social responsibility. The Supreme Award was proudly sponsored by Westpac.

# **GENERAL AWARD** CATEGORIES

The General Award Categories recognize businesses who demonstrated excellence in building extraordinary and sustainable growth across three categories- Small, Medium and Large.

Celebrating the contribution of SMEs to the Fijian economy, the Best Small Business Operating Internationally recognises a company with sales of less than \$1 million. This category was proudly sponsored by BlueScope Pacific Steel. Telecom Fiji Limited's (TFL) Best Medium Business Operating Internationally celebrates the contribution of mid market companies. The Award winner will have a compelling story to tell and is presented to a company that has maintained consistent growth and is able to validate how it will continue to build on its success.

HFC Bank Best Large Business Operating Internationally is open to companies with sales exceeding \$5million.

The winner will be making a significant contribution to the nation, has an engaged workforce and whose growth, compelling business strategy, ambition and effective leadership allows the company to continually innovate in order to support future growth.





### Emerging Exporter of the Year Award

The Emerging Exporter of the Year Award, sponsored by Fiji Development Bank will be presented to an organization that has developed niche market through creativity and developed uniqueness, presentation and repertoire within a short period after the introduction of the product to the market.

This award is for a high performing company with an innovative edge, have exceeded initial targets for growth and already show a significance within the industry.

### Re-Exporter of the Year Award

The Re-Exporter of the Year Award, sponsored by Swire Shipping will be awarded to a company that has excelled in re-exporting, thus manifesting Fiji as the true hub of the Pacific.

Fiji has the best air and sea connections in the region, with a significant number of exports being transshipped to other Pacific Island Countries. The winner will demonstrate the expansion across existing or new markets, and through the introduction of creative and innovative operational processes and value adding, showing robustness in managing and developing international growth.

### Excellence in Innovation Award

Innovative individuals and organisations drive the economy. Recognising the evolving nature of business, true innovators originate forward-thinking concepts to instigate improvement.

The Excellence in Innovation Award, proudly supported by the Ministry of Industry Trade and Tourism, will be presented to a company in recognition of their innovative products and service development and business models employed to maximize international revenue. The Innovation Award will shine a light on the most innovative businesses in the country, recognising leading products and services that provide innovative solutions for new and existing market needs.

### Excellence in E-Commerce Award

The Excellence in E- Commerce Award, sponsored by Vodafone recognizes a business that has demonstrated successful e-commerce approaches to marketing products or services internationally.

With the growing impact of the digital community affecting the way business is done, coupled with Fiji's remote location in the Pacific, thousands of miles from major trading hubs in Australia, New Zealand, Asia, Europe and the Americas - E-Commerce is essential for companies to successfully enter new markets and grow their businesses overseas.



### Excellence in Service Award

The Award for Excellence in Service supported by BlueScope Lysaght, recognizes organizations that have achieved outstanding results through the initiatives that demonstrate leadership and commitment to service excellence marketed to an international audience.

This award is open to outstanding customer champions – businesses that operate customer-centric organisations where the customer is truly king. Celebrating those organisations demonstrating the link between customer service and profit, the Award recognises those constantly striving to exceed customer expectations, industry leading standards of service, and innovation around customer experience.

### Primary Industry Business Excellence Award

The Primary Industry Business Excellence Award, sponsored by the Reserve Bank of Fiji is presented to a company for outstanding export results in agriculture, forestry or fisheries industry.

Fiji has vast agricultural potential, abundance of forests and clean oceans, we are looking for companies that have excelled in developing strong export capabilities within the primary sector. The Award aims to showcase innovation and adaptability across a number of primary industry sectors.

We are looking forward to a diverse cross section of entries supported by compelling stories, sound business models and ambitious growth plans. These can include sustainable forestry operations, fish exports, organic farming, and organized systems of producing, processing, and marketing crops, livestock, and seafood as well as aquaculture products.

### Excellence in Business Leadership Award

The Excellence in Business Leadership Award sponsored by Golden Manufacturers will be presented to an individual who has shaped the business world through steadfast leadership, vision, tenacity and dedication, who is a true leader and role model for other companies.

We created this award to honour and recognize the dynamic, inspiring and visionary men and women who create the products, services and jobs that help our economy and communities grow.

We are excited to hear about the many significant achievements of these incredible entrepreneurs, applauding them all for taking the road less travelled - to launch new companies, open new markets and fuel job growth.

### Socially Responsible Business of the Year Award

Following on from the launch of the Green Growth Framework, we recognise the need to engage businesses more broadly in the sustainability challenge and define responsible business as the new norm; to ensure that every business model has sustainability and inclusivity at its very heart.

The Socially Responsible Business of the Year Award, sponsored by Tropik Wood Industries Limited will be presented to a company demonstrating a positive, sustainable and societal impact as part of their business journey.

FOR THE YEAR ENDED 31 JULY 2017

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### STATEMENT BY BOARD CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

- the accompanying income statement of Investment Fiji is drawn up so as to give a true and fair value of the results for Investment Fiji for the year ended 31 July 2017;
- the accompanying statement of changes in equity of Investment Fiji is drawn up so as to give a true and fair view of the changes in equity of Investment Fiji for the year ended 31 July 2017;
- the accompanying statement of financial position of Investment Fiji is drawn up so as to give a true and fair view of the state of affairs of Investment Fiji as at 31 July 2017;
- the accompanying statement of cash flows of Investment Fiji is drawn up so as to give a true and fair view of the cash flows of Investment Fiji for the year ended 31 July 2017; and
- at the date of this statement, there are reasonable grounds to believe that Investment Fiji will be able to pay its debts as and when they fall due.

Dated this 15th day of March, 2018.

Chairman

**Chief Executive Officer** 

### **OFFICE OF THE AUDITOR GENERAL**

**Excellence in Public Sector Auditing** 

6-8<sup>TH</sup> Flor 2-10 Mc/ P. O. Box Suva, Fiji

6-8<sup>™</sup> Floor, Ratu Sukuna House 2-10 McArthur St P. O. Box 2214, Government Buildings



### INDEPENDENT AUDITOR'S REPORT

#### **Investment Fiji**

I have audited the financial statements of Investment Fiji, which comprise the statement of financial position as at 31 July 2017, income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Investment Fiji as at 31 July 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

### **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Investment Fiji in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Responsibilities of the Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and the Investment Fiji Act 2011, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Investment Fiji's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management intend to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing Investment Fiji's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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#### INDEPENDENT AUDITOR'S REPORT (CONT'D)

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

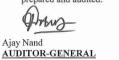
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud
  or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that
  is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material
  misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
  that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
  effectiveness of Investment Fiji's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and directors' use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Investment Fiji's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Investment Fiji to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the
  disclosures, and whether the financial statements represent the underlying transactions and events in a
  manner that achieves fair presentation.

I communicate with the management and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

#### Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the Investment Fiji Act 2011 in all material respects, and;

- I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Investment Fiji has kept financial records sufficient to enable the financial statements to be prepared and audited.



Suva, Fiji 16 March, 2018

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### INCOME STATEMENT FOR THE YEAR ENDED 31 JULY 2017

			7 months Jan - July
	NOTES	2017	2016
Income			
Government grant - operational		2,136,580	1,091,831
Registration fees		286	218
International Business Awards - Income	3	504,697	41,284
Other income	4	4,721	25,805
Total income		2,646,284	1,159,138
Expenditure			
Administrative expenses	5	269,030	155,839
Depreciation	10	95,835	50,327
Operating expenses	6	515,971	202,002
Personnel expenses	7	1,338,977	789,859
International Business Awards - expenses	8	323,932	39,968
Total expenditure		2,543,745	1,237,995
Net Surplus / (Deficit) for the period		102,538	(78,857)

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

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2017

ACCUMULATED FUNDS	NOTES	2017	7 months Jan - July 2016
Balance as at 1 January		832,191	911,048
Surplus / (Deficit) for the Year / Period	_	102,538	(78,857)
Balance at the end of the year	_	934,730	832,191

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

### STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2017

	NOTES	2017	7 months Jan - July 2016	NC	DTES 2017	7 mont Jan - Ju 20
ASSETS						
Current Assets				NET ASSETS	934,730	832,1
Cash on hand and at Bank	14	927,882	1,011,485			
Receivables	9	283,521	310,603	ACCUMULATED FUNDS AND		
Total Current Assets		1,211,403	1,322,087	RESERVES		
				Accumulated funds and reserves	934,730	832,1
Non Current Assets						
Property, plant and equipment	10	675,274	337,558	TOTAL EQUITY	934,730	832,1
Total Non Current Assets		675,274	337,558			
TOTAL ASSETS		1,886,677	1,659,646			
LIABILITIES						
Current Liabilities						
Trade creditors and accruals		181,880	90,115			
Payable to Ministry of Finance	13	545,023	522,500			
Provision for employee entitlements	11	82,843	56,049			
Total Current Liabilities		809,745	668,663	The accompanying notes form an integ	iral part of this financi	al position
Non Current Liabilities						
Provision for employee entitlements	11	-	16,589		$\square$	$\sim$
Deffered Grant Income - Capital	12	142,202	142,202			
Total Non Current Liabilities		142,202	158,791	/ Mmn (Baily).		+-
TOTAL LIABILITIES		951,947	827,454	Chairman	Chief Executiv	e Officer

7 months Jan - July

2016

832,191

832,191

832,191

ef Executive Officer

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 JULY 2017

Cash flows from Operating Activities	2017 Inflow / (Outflow)	7 months Jan - July 2016 Inflow / (Outflow)
Receipts of grants and others	2,141,586	1,001,329
Receipts from /(payments for) special account	234,389	1,316
Payments to suppliers and employees	(2,026,026)	(912,079)
Net cash provided by/(used in) Operating Activities	349,949	90,566
Cash flows from Investing Activities		
Payments for property, plant & equipment	(434,063)	(38,620)
Proceeds from sale of property, plant & equipment	513	24,405
Net cash used in Investing Activities	(433,551)	(14,214)
Net increase/(decrease) in cash and cash equivalents	(83,602)	76,352
Cash and cash equivalents at the beginning of the year	1,011,485	935,134
Cash and cash equivalents at the end of the year [Note 14]	927,882	1,011,485

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

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

### NOTE 1. GENERAL INFORMATION

Investment Fiji is a Government of Fiji entity domiciled in the Republic of the Fiji. Investment Fiji was created in 1980 under Economic Development Board Act No.11. The address of its registered office and principal place of business is disclosed in Note 20 to the financial statements.

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

### NOTE 2. STATEMENT OF SIGINIFICANT ACCOUNTING POLICIES

### **Statement of Compliance**

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

All amounts are stated in Fijian currency.

### **Basic of Preparation**

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration

given in exchange for assets.

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

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

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

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

### NOTE 2. STATEMENT OF SIGINIFICANT ACCOUNTING POLICIES (CONT'D)

### a) Allowance for Doubtful Debts

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

### b) Borrowings

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

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

### c) Borrowing Costs

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

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

### d) Cash and Cash Equivalents

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

### Employee Benefits

### Annual leave

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

### Long service leave

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

### **Retirement benefits**

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

### NOTE 2. STATEMENT OF SIGINIFICANT ACCOUNTING POLICIES (CONT'D)

e) Employee Benefits

### Wages and salaries

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

### **Defined contribution plans**

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

### f) Foreign Currency Transactions

### Functional and presentation currency

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

### **Transactions and balances**

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

### g) Government Grants

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

### Income Tax

h)

i)

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

### **Property, Plant and Equipment**

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

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

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

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

# NOTE 2. STATEMENT OF SIGINIFICANT ACCOUNTING POLICIES (CONT'D)

### j) Trade and other receivables

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

### k) Value Added Tax (VAT)

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

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

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

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

NOTE 3.	INTERNATIONAL BUSINESS AWARDS	2017	7 months Jan - July 2016
	Sponsorship Ticket Sales	444,954 59,743	41,284 -
	Total International Business Awards -	504,697	41,284

Prime Minister's International Business Awards is intiative taken by the Fiji Government to reward businesses and exporters who are postiviely contributing to the economy on an international level. This event is hosted by Investment Fiji on behalf of the Fijian Government and is fully funded through sponorship funds and ticket sales.

### NOTE 4. OTHER INCOME

Total Other income	4,721	25,805
fixed assets		
Profit /(loss) on disposal of	513	24,405
TPAF grant	1,808	-
secretariat fee		
Fiji-PNG Business Council	2,400	1,400

NOTE 5.	ADMINISTRATIVE EXPENSES	2017	7 months Jan - July 2016	NOTE 6.	OPERATING EXPENSES	2017	7 months Jan - July 2016
	Advertising and public relations	37,240	19,034		Insurance	55,070	28,875
	Audit fee	4,128	1,986		Trade promotion seminars /	22,969	4,201
	Bank charges	3,962	2,090		investment workshops		
	Board members' expenses	6,619	4,169		Motor vehicle repairs and	24,288	13,709
	Computer repairs	12,682	5,441		maintenance		
	Director's fees	22,750	19,250		Office expenses	15,735	7,993
	Electricity	34,296	19,458		Printing	55,048	4,146
	Entertainment and hospitality	2,333	1,255		Hire of photocopiers	14,486	7,884
	Legal fees	-	2,810		Postage and courier	1,860	860
	Stationery	9,190	5,363		Rent	183,457	106,978
	Subscriptions	10,084	1,599		Operating leases on motor vehicles	90,006	27,356
	Telephone and fax	34,647	19,654		Government Initiative Mission -	53,053	-
	Telephone computer line	62,087	36,067		Overseas		
	Travel/accommodation and subsistence	28,225	15,221		Total Operating Expenses	515,971	202,002
	Single window clearance launch	-	500	NOTE 7.	PERSONNEL EXPENSES		
	Office refurbishment	-	1,941				
					FNPF contribution	96,483	47,837
	Total Administrative Expenses	269,030	155,839		FNU levy	12,567	7,504
					Fringe benefit tax	5,611	2,245
					Provision for retirement benefit	1,382	-
					Salaries and wages	1,215,968	731,126
					Staff training	6,966	1,147
					Total Personnel Expenses	1,338,977	789,859

			7 months Jan - July
NOTE 8.	INTERNATIONAL BUSINESS AWARDS	2017	2016
	Advertising, Publicity & Printing	34,340	2,598
	Launch	45,450	37,197
	Plaques and Prize Money	62,252	-
	Award Night (Main Event)	181,889	173
	Total International Business Awards - Expenses	323,932	39,968

Prime Minister's International Business Awards (IBA) is an annual event managed by Investment Fiji and the expenses incurred are verified and accorded specifically for the overall preparation, pre-event, launch, main and post event.

NOTE 9.	RECEIVABLES AND OTHER ASSETS	2017	7 months Jan - July 2016
		17.000	105 000
	Other receivables	13,998	195,299
	Debtors	120,000	-
	Provision fordoubtful debts	-	-
		133,998	195,299
	Fiji-PNG Business Council	1,526	1,526
	Vat Receivables	108,008	80,934
	Prepayments	39,989	32,843
	Total Receivables and Other Assets	283,521	310,603

Debtors relates to the Prime Minister's International Business Awards Sponsorship billed but unpaid at balance date.

### NOTE 10. PROPERTY, PLANT AND EQUIPMENT

	Audio Equipment	Computer Equipment	Furniture & Fittings	Leasehold Improvements	Office Equipment & Others	Motor Vehicles	Work In Progress (CRM)	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Gross carrying amount								
Balance at 1st January 2016	13,837	308,647	149,436	193,157	46,159	168,940	-	880,176
Acquisitions	1,101	3,862	3,183	3,336	2,732		-	14,215
Disposals	-	-	-	-	-	(44,329)	-	(44,329)
Balance at 31st July 2016	14,938	312,509	152,619	196,494	48,893	124,612	-	850,062
Acquisitions	14,103	73,497	26,013	4,631	1,330	-	313,974	433,548
Disposals	(3,636)	(836)	(7,276)		(5,264)	-	-	(17,011)
Balance at 31st July 2017	25,405	385,171	171,356	201,125	44,960	124,612	313,974	1,266,599
Accumulated Depreciation								
Balance at 1st January 2016	9,351	111,244	68,082	161,834	11,808	144,187	-	506,506
Depreciation expense	1,029	25,960	7,164	3,534	3,274	9,366	-	50,327
Disposals	-	-	-	-	-	(44,329)	-	(44,329)
Balance at 31st July 2016	10,380	137,204	75,246	165,368	15,082	109,225	-	512,505
Depreciation for the year	2,891	52,587	12,439	6,571	5,960	15,388	-	95,835
Disposals	(3,638)	(837)	(7,276)		(5,264)	-	-	(17,014)
Balance at 31st July 2017	9,634	188,955	80,409	171,939	15,778	124,612		591,326
Carrying Amount								
As at 31 July 2016	4,558	175,305	77,373	31,124	33,812	15,387	-	337,558
As at 31 July 2017	15,771	196,216	90,947	29,186	29,182		313,974	675,274

There are some assets with zero written down values which are in use. However, management is of the view that the residual value of these assets are not significant to impact on the balance of Property, Plant & Equipment.

			7 months Jan - July
NOTE 11.	PROVISIONS	2017	2016
	Employee Entitlements		
	Opening balance	72,638	56,753
	Net movement during the year	10,205	15,885
	Closing Balance	82,843	72,638
	Analysis of total provisions:		
	Current	82,843	56,049
	Non current	0	16,589
		82,843	72,638
NOTE 12.	DEFFERED GRANT INCOME - CAPITAL		
	Funds Received for CRM Project from Ministry	142,202	142,202
	Total Payable to Ministry of Finance	142,202	142,202

Customer Relationship Management (CRM) database project is software developed to manage all investor information, investment levels, re-investment levels and overall engagement and monitoring. This software is currently being populated with all previous and current investor data and is in the implementation phase. The software will enable day-to-day reporting as well as assist in strategic reporting and decision making.

NOTE 13.	PAYABLE TO MINISTRY OF FINANCE	2017	7 months Jan - July 2016
	FIRC registration fees	545,023	522,500
	Total Payable to Ministry of Finance	545,023	522,500

The Government has increased Investment Fiji's operating grant. Investment Fiji is therefore expected to return all the Foreign Investment Registration Certificate (FIRC) fees collected back to the Government. FIRC fees in previous years were treated as income in Investment Fiji's accounts.

### NOTE 14. NOTES TO THE STATEMENT OF CASH FLOWS

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and balance held with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

ANZ Banking Group - Operational Account	278,622	448,556
ANZ Banking Group - Special	2	
Expenditure Account (a)	98,733	32,424
ANZ Banking Group - Other Funds	549,827	529,805
Account (b)		
Petty Cash	700	700
Total cash and cash equivalents	927,882	1,011,485

- a) This cash relates to the International Business Awards night and is only incurred for that purpose.
- b) This cash relates to the Foreign Investment Registration Certificate (FIRC) application fee and only incurred for that purpose.

### NOTE 15. COMMITMENTS

 a) Rental lease commitments for Suva, Lautoka, Labasa office and Archive are as follows:

	Not later than one year Later than one year but not later than five years	184,174 575,165	183,720 759,339
	Total rental lease commitments	759,339	943,059
b)	Operating lease commitments for leased motor vehicles are as follows:		
	Not later than one year Later than one year but not later	78,282 43,111	27,356 82,067
	than five years		
	Total operating lease commitments	121,394	109,423

	e commitments otocopiers are as	2017	7 months Jan - July 2016
Not later than	one year	12,530	13,487
Later than one	year but not later	1,937	14,467
than five years			
Total operating	lease commitments	14,467	27,954

### NOTE 16. CONTINGENT LIABILITY

Contingent liabilities exist with respect to the following:

-	57,789	57,789
Retirement benefits	57,789	57,789

Retirement benefit yet to be paid to an employee retiring in accordance with provisions of Article 26 paragraph of the Collective Agreement signed in 2001 between Investment Fiji and the Fiji Public Service Association (FPSA) regarding terms and conditions of service of salaried staff. The employee retired on 18 May 2009 and no claim has been received so far by FPSA.

### NOTE 17. RELATED PARTY DISCLOSURES

The names of persons who were directors of Investment Fiji at the date of this report are as follows:

Mr. Truman Bradley - Chairman	Mr. Solomoni Nata
Mr. Jai Kumar - Deputy Chairman	Mr. Nemani Vuniwaqa
Mr. Shaheen Ali	Mr. Visvanath Das
Mr. William Situ	Mr. Richard Breen
Ms. Angela Jokhan	Mr. William Singh

Directors' remuneration as at July 2017 is \$22,750 (July 2016: \$19,250).

### NOTE 18. EVENTS SUBSEQUENT TO BALANCE DATE

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

### NOTE 19. PRINCIPAL ACTIVTIES

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

### NOTE 20. INVESTMENT FIJI DETAILS

### **Registered Office and Principal Place of Business**

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

Level 6, Civic Tower Victoria Parade Suva Fiji.

### Number of employees

As at balance date, Investment Fiji employed a total of 47 (2016: 35) employees.

# **NOTES**

# NOTES

Investment Fiji was established as the Economic Development Board (EDB) in 1980 and is guided by the Foreign Investment Act. A statutory organization, Investment Fiji operates independently as the marketing arm of the Fiji Government, providing services and assistance to promote, and stimulate investments and exports. As such, Investment Fiji carries out three primary roles, Investment Promotion, Investment Facilitation and Export Promotion.

### SUVA

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