



ANNUAL REPORT | 2015



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REFERRAL LETTER

Honourable Jone Usamate
Minister for Infrastructure, Transport, Disaster
Management and Meteorological Services
Nasilivata House
Samabula
SUVA

Dear Sir,

I am pleased to present the 2015 Annual Report for the Ministry of Infrastructure and Transport.

This Report has been prepared in accordance with the requirements of my contract with the Public Service Commission under the 2013 Constitution and the provision of the Financial Management Act 2004.

Overall, the Report summarizes the Ministry's Performance and includes the Audited Financial Statements as required by section 45(3), 46(2), 47(2) and 48 of the 2004 *Financial Management Act*.

The Annual report captures the commitment and efforts of the Ministry towards the fulfillment of Government strategic goals.



TAITUSI VAKADRAVUYACA
Permanent Secretary

PERMANENT SECRETARY'S STATEMENT



I have much pleasure in presenting the Annual Report for the Ministry of Infrastructure and Transport for 2015.

The annual report reflects the operational commitment and strategic obligations achieved by the Ministry of Infrastructure and Transport (MoIT) for the year. The Ministry has managed to maintain consistency in all facets of its operations to achieve satisfactory outcomes and financial results, delegated to it by the Government to deliver in its required services as outlined in its 2015 Annual Corporate Plan.

The respective Departments and Divisions of the Ministry worked tirelessly to implement strategies in its Business Plan to bring about consistent results. The Strategic Framework Change Coordination Office (SFCCO) ratings for 2015 have indicated consistent improvements in all outputs of the Ministry

This commendable achievement is a reflection of the commitment and persistence of MoIT staff. The Ministry has embarked and will continue to strive for excellence in all area of service delivery to Government, the citizens of this country, stakeholders and counterpart Ministries.

The works undertaken by the Commercial Statutory Authorities (CSA's), Fiji Electricity Authority (FEA), Water Authority of Fiji (WAF), Land Transport Authority (LTA) and Maritime Safety Authority of Fiji (MSAF) for Government under this Ministry are commendable. The challenges of being in

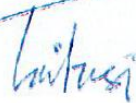
the public eye are not always easy however the professionalism and commitment in the execution of their operations has been exemplary with all attempts to seek improvement.

The task of synchronizing the Ministry's work programmes to Governments mandated Peoples Charter for Change, Peace and Progress (PCCPP) and the Roadmap to Democracy and Sustainable Socio-Economic Development Framework (RDSSED) has always been at the forefront of our operations, from strategic through to tactical levels.

The Ministry was honored to be rewarded again with a consecutive Achievement Award under the Public Service Commission (PSC), Service Excellence Award (SEA) initiative. This is a credit to the efforts by all staff to commit to excellence in the way we conduct our business.

The transformation has not been easy. I salute the commitment, consistency and persistence shown by all staff who continue to strive for excellence in our daily operations whether in the Office or out in the field. We cannot settle for the status quo and remain dormant and the call for commitment, consistency and persistence by all staff to their duty and how they can positively impact our nation is warranted.

I commend the continued effort by staff to uphold an honest day's work.



TAITUSI VAKADRAVUYACA
Permanent Secretary

STRATEGIC DIRECTION

VISION

“Achieving higher economic growth and prosperity for Fiji through sound advises and service delivery in quality sustainable infrastructures, safe dynamic transport systems; safe clean water, affordable energy sources, advanced meteorological and hydrological products”

MISSION

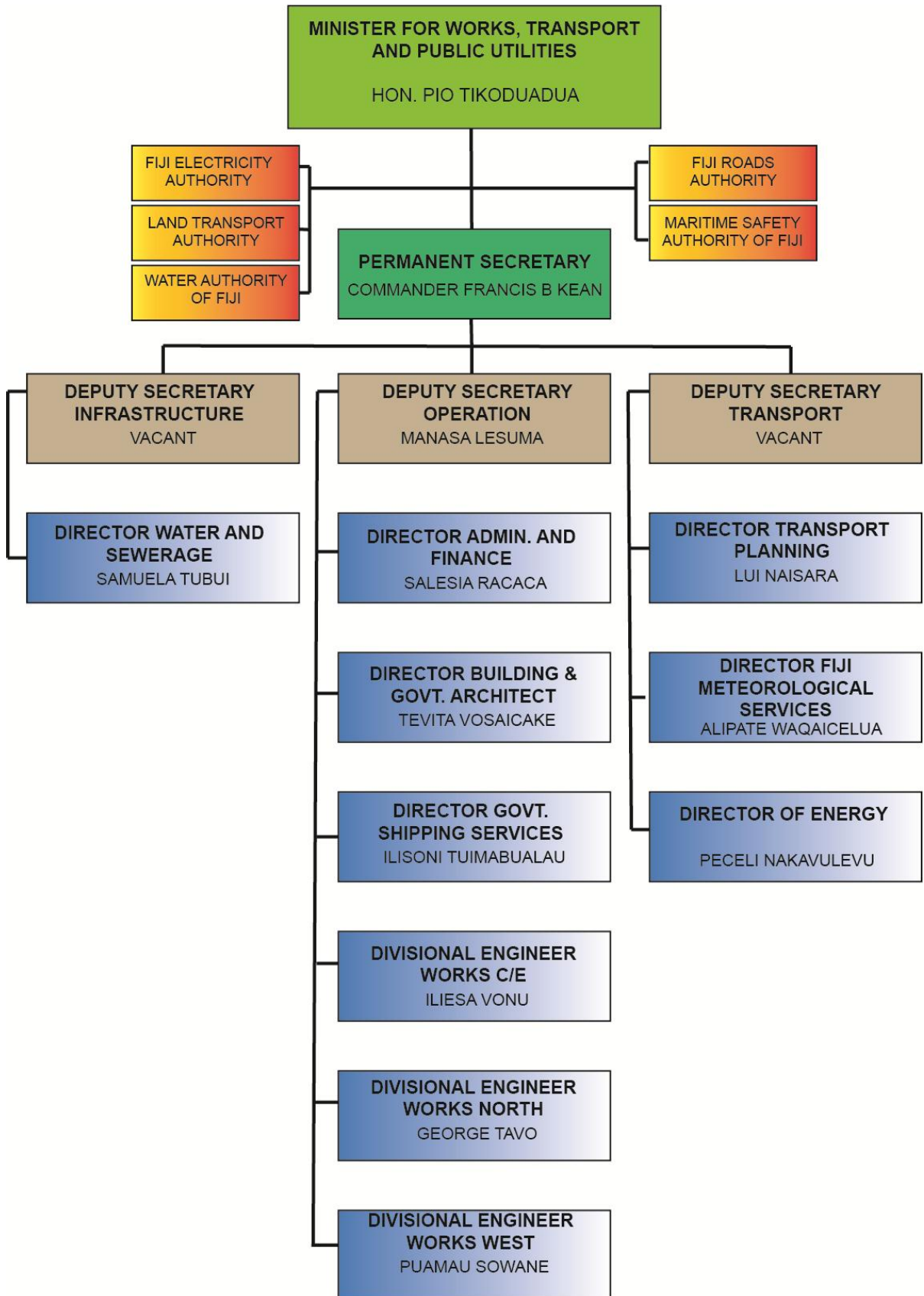
“Complete Service Delivery that is Accessible to All”

VALUES

The Ministry continues to uphold ethical standards and fosters a workplace that encourages:

- ❖ Honesty - we commit to an honest day’s work
- ❖ Integrity - we commit to be impartial in all our service
- ❖ Leadership - we commit to exercising strong and sound leadership
- ❖ Teamwork - we value the contribution of all staff irrespective of their appointment and status
- ❖ Innovation - we encourage new ideas and a can do attitude
- ❖ Professionalism - we commit to excellence in all that we do

ORGANIZATION STRUCTURE – SENIOR MANAGEMENT



MINISTRY'S PORTFOLIO LEADERSHIP

ROLES AND RESPONSIBILITIES

The Ministry of Infrastructure and Transport (MoIT) is directly responsible for policy formulation, planning, design, regulatory, coordination and implementation of programs, projects and services relating to public works meteorology, transportation and utilities which are part of the Government infrastructure sector in Fiji.

In addition, the MoIT is also responsible for policy and legislative oversight as well as administrative and regulatory functions of various Government Commercial Statutory Authorities (CSA's) and Government Commercial Companies (GCC's) under the portfolio for Minister of Infrastructure and Transport.

In this context, public works cover important infrastructure components such as bridges, jetties, buildings and joinery, mechanical, electrical, the plant pool, vehicles, solar systems and diesel generator. Similarly, the transport sector covers land and sea transportation as well as the Fiji

Meteorological Service. Transport in this context include shipping services, land transport industry including vehicles, motorcycles, carriers and buses and the utilities sector covering water supply, sanitation and energy.

Basically, all these sectors have been undergoing reform program in recent years to improve efficiency, quality of services and to promote competition, consumer protection and price regulations. These reforms basically focus on policy reorientation, legislative reform, institutional strengthening, capacity building and good governance. This is in line with the contents of the Road Map of Government as outlined in the (RDSSD) – 2010 – 2014, as well as the PCCPP.

MINISTERIAL ASSIGNMENT

Under the Ministerial Assignment issued to the Minister for Infrastructure and Transport and by the President on 11/04/2009, the following Government Businesses and Legislations (Law) came under the responsibilities of the Minister for Infrastructure and Transport.

GOVERNING LEGISLATION ADOPTED BY THE MINISTRY

Business	Laws (Acts)
<p>(a) Works</p> <p>Infrastructure Services</p> <p>Registration of Architects & Engineers</p>	<p>(a) Architect Act (Cap 258)</p> <p>Engineers Registration Act</p> <p>Collision Regulations (Ships, Sea plane)</p> <p>Signal of Distress (Ships)</p> <p>National Building Code</p>
<p>(b) Transport</p> <p>Land Transport Ports & Harbours</p> <p>Railway Services, Marine Services</p> <p>Meteorology & Hydrology</p> <p>Ship Building</p> <p>Transport Planning</p>	<p>(b) Land Transport Act, 1998</p> <p>Bicycle Act (Cap 178)</p> <p>Sea Port Management Act, 2005</p> <p>Railway Act (Cap 179) Marine Act 1986</p> <p>Wreck & Salvage Act (Cap 198)</p> <p>Petroleum Act (Cap 190)</p> <p>Motor Vehicle (Third Party Insurance Act) (Cap 177)</p> <p>Maritime Transport Act 2013</p> <p>Ship Registration Act 2013</p> <p>Meteorology/Hydrology Act</p> <p>Roads Act (Cap. 175)</p> <p>Fiji Roads Authority Act 2012</p>
<p>(c) Public Utilities (Water & Energy)</p> <p>Biofuel Policy Development</p> <p>Conservation of Fuel</p> <p>Development of Energy Resources</p> <p>Electricity Supply</p> <p>Fuel and Power Energy Measures</p> <p>Rural Electrification Water & Sewerage</p>	<p>(c) Petroleum Act (Cap 190)</p> <p>Fiji National Petroleum Company Limited Decree 1990</p> <p>Electricity Act (Cap 180)</p> <p>Fuel and Power Emergency Act (Cap 1991)</p> <p>Water Authority of Fiji Promulgation</p> <p>Environment Management Act 2005</p>

Under the Ministerial portfolio, the following Government Departments and agencies are effectively governed.

Government Department	Commercial Statutory Authorities (CSA)
Department of Works	
Department of Meteorology	
Department of Transport Planning Unit	Maritime Safety Authority of Fiji (MSAF) Land Transport Authority (LTA) Fiji Roads Authority (FRA)
Department of Corporate Services	
Department of Water & Sewerage	Water Authority of Fiji (WAF)
Department of Energy	Fiji Electricity Authority (FEA)
Department of Government Shipping Services	

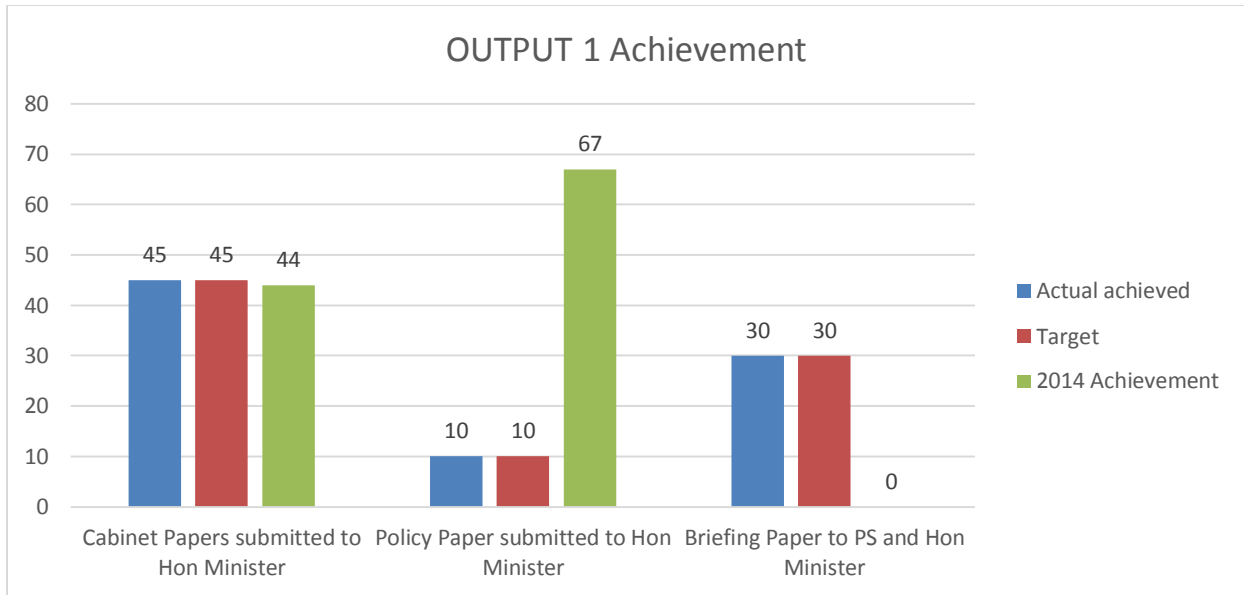
2015 HIGHLIGHTS OF ACHIEVEMENTS

1. POLICY AND EXECUTIVE UNIT

The Policy and Executive Support Unit is responsible for the provision of Policy Advice to the Minister through the Permanent Secretary in terms of effective administration and management of the Ministry's function, operations and resources.

The executive administration consists of the Permanent Secretary, Deputy Secretary for Infrastructure, Deputy Secretary Transport and Energy, and the Deputy Secretary Operations. Other support staff includes Senior Secretaries, Senior Media Liaison Officer and Clerical Officers.

Under Output 1 on Portfolio Leadership, Policy Advice and Secretariat Support, a total of forty five (45) Cabinet Papers (CP) were submitted to the Office of the Honorable Minister via Permanent Secretary for the year. A total of ten (10) Policy Papers submitted and endorsed addressing a number of policy guidelines relating to the Ministry's work programs in Water and Sewerage, Energy, Land and Maritime Transportation, Meteorology, including relevant laws and legislations. Also under Output 1, there were a total of more than thirty (30) Briefing papers (BP) submitted to the Honorable Minister for endorsement through the Permanent Secretary.



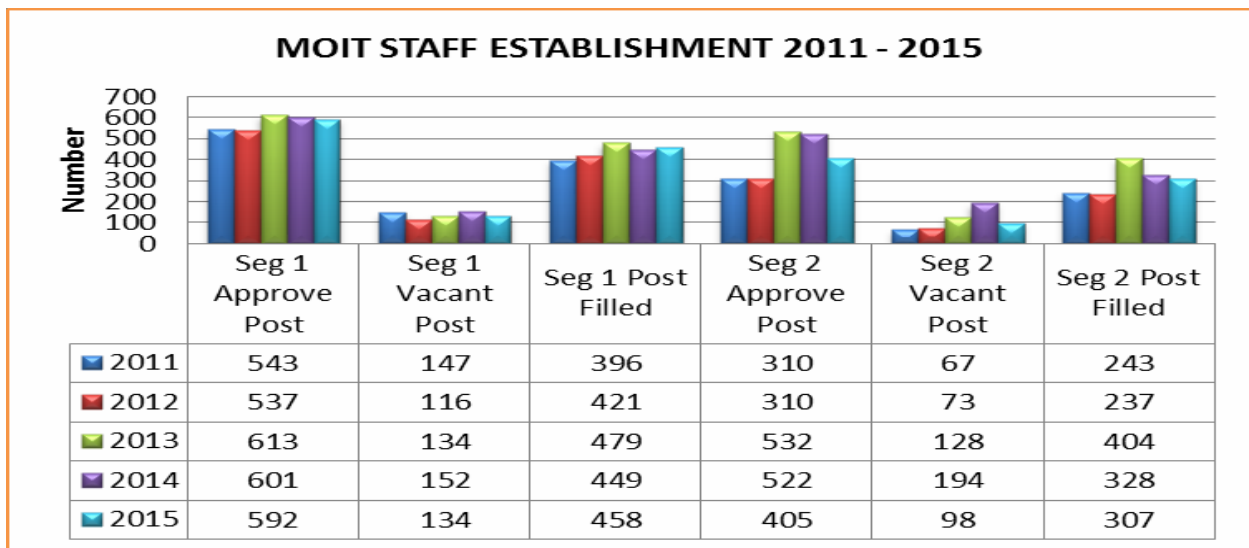
The annual target for Policy papers was reduced from 65 in 2014 to 10 in 2015 due to the change in focus for the implementation of the policies passed by cabinet in 2014.

2. DEPARTMENT OF ADMINISTRATION AND FINANCE

The Department of Administration and Finance (DAF) provides support services to all Departments of the Ministry relating to human resources development and management, corporate administrative systems and administration, financial accounting and financial management and occupational health and safety assurance.

DAF plays a key role in the provision of capable individual through prudent recruitment and selection procedures. The approved Ministry staff establishment for 2015 for both established (SEG 1) and Government Wage Earners (SEG 2) declined compared to the previous two years. The decrease is attributed to more technical skilled staff been lured into the private sector with promising remuneration packages.

The above graph and table shows that there were 592 established positions in 2015 in comparison to 613 in 2013 and 601 in 2014. Under the nominal roll for SEG 2, the approved positions decreased to 405 compared to 532 in 2013 and 522 in 2014. During the year, under SEG 1 and 2, more than 75 percent vacant positions were recorded to be filled within the Ministry. Recruitment included positions of, Principal Policy Analyst, Senior Scientific Officers, Senior Administrative Officers, Assistant Accounts Officers, Electricians, Building Supervisors, Messenger/Drivers, and Clerical Officers.



Training/Workshops

During the year, the Ministry facilitated workplace attachments and on the job training for tertiary students as required under the course programme of local tertiary institutions. Under our commitment to education and training, the Ministry fully facilitated technical attachments for 50 interested students.

In terms of staff training and development a total of 223 officers were identified for local and overseas training, workshops, seminars and meetings which exceeded the target of 40 for the 12 month period as per ACP 2015. The Apprenticeship program saw three (3) students graduating at the end of the year instead of the targeted four (4) students in the 2015 ACP.

Recruitment and Selection

The DAF prepares all reports for the Ministry and submits to respective central agencies as mandated under the Annual Corporate Plan (ACP). Monthly and quarterly reports are submitted according to targeted outputs. Throughout the year, the DAF continued to provide secretariat and logistic support to the Honourable Minister by submitting 67 Staff Board papers from the 100 annual target for the year. These staff board papers include submissions for appointments, discipline, increments through salary upgrades and study leave.

3. DEPARTMENT OF TRANSPORT PLANNING

The Department of Transport Planning (TPU) under the provision of the **2013 Constitution, Section 34 “Right to reasonable access to transportation”** is mandated to ensure that the citizens and visitors of Fiji have access to a safe, affordable, efficient and environmental friendly transport system.

The Department also advises on strategic planning issues and fosters co-ordination to promote investment programming assistance that will set the overall direction of its activities as guided by the inputs from external reference group comprising of key representatives in the transport sector, primarily through the National Transport Consultative Forum (NTCF).

The establishment of TPU through Cabinet Decision No. 32/ 2000 emphasizes the vital contribution of the transport sector towards the development of Fiji’s economy. The two statutory authorities, Maritime Safety Authority of Fiji (MSAF) and Land Transport Authority (LTA) works in consultation with TPU in the implementation of Fiji’s transport regulations while TPU facilitates and monitors the release of their respective annual Operating and Capital Grants on a quarterly basis.

In an effort to provide shipping services to the maritime uneconomical routes, the Ministry, through the Government Shipping Franchise Scheme, provides services to 9 uneconomical routes, namely North East Vanua Levu, Upper Southern Lau, Kadavu, Lower Southern Lau, Yasawa, Northern Lau, Lomaiviti, Rotuma and Yasayasa Moala.

In 2015, 152 trips were undertaken out of the 168 trips forecasted. These trips were provided to the 9 franchise routes earlier mentioned, servicing 70 ports per month.

FIGURE 1 : CARGO MOVEMENT FOR JANUARY - DECEMBER 2015

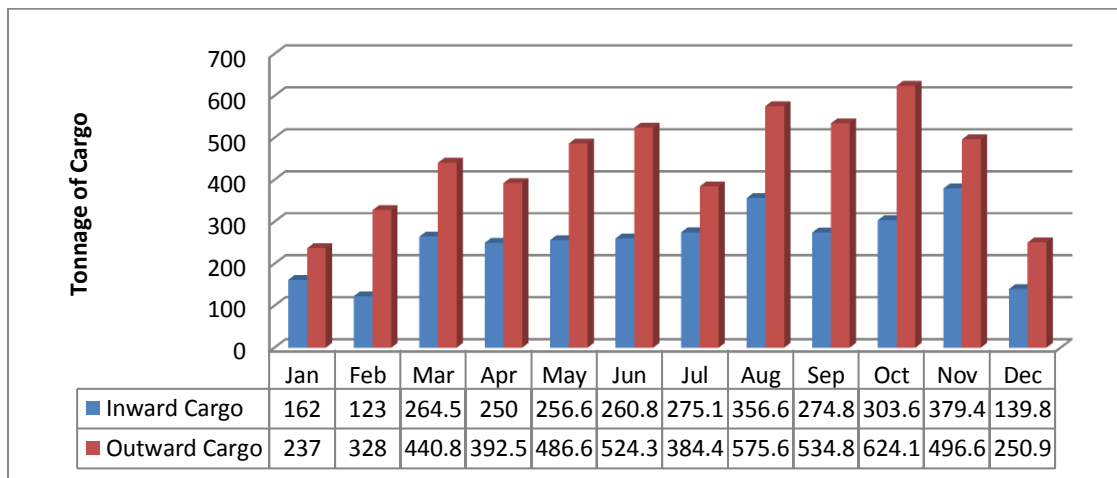


Figure 1 above shows that the cargo shifted from the main port of origin is higher compared to inward cargo for the duration of the reporting period (January – December 2015) regardless of its fluctuation trend experienced.

FIGURE 2 : PASSENGER MOVEMENT FOR JANUARY - DECEMBER 2015

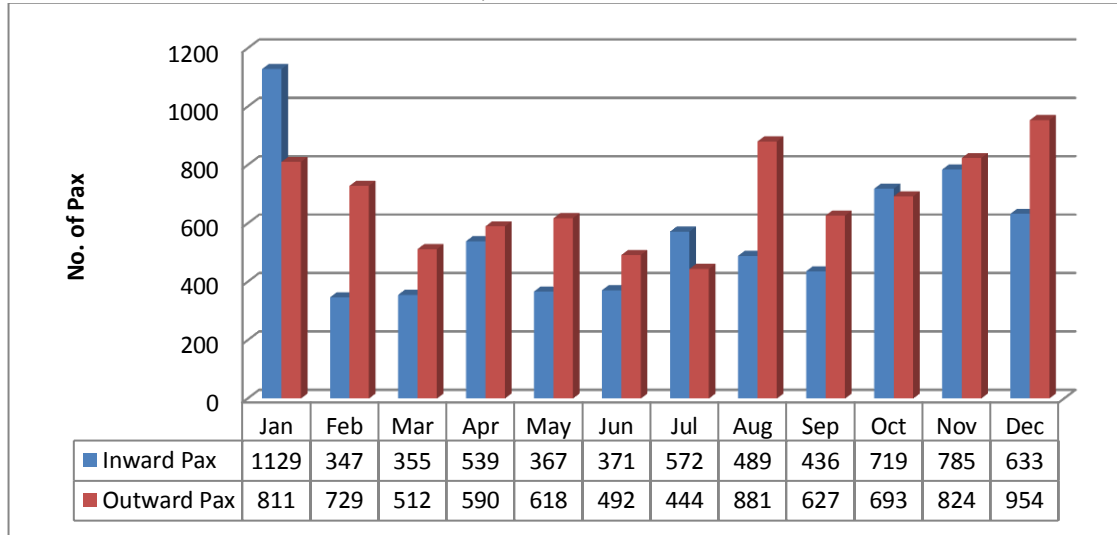


Figure 2 above shows the movement of passengers to and from the uneconomical maritime islands within Fiji. The higher number of passengers travelling in January, February, August and December is mainly due to the following:

- festive seasons;
- school breaks; and
- Methodist conferences/ other church conferences/ Hibiscus Event.

This scheme complements Government’s effort in improving accessibility and economic activities for our maritime communities.

OUTPUT 5: FIJI NATIONAL TRANSPORT CONSULTATIVE FORUM (FNTCF)

TPU has continuously engaged with its relevant stakeholders through the hosting of the Fiji National Transport Consultative Forum (FNTCF). After the convening of the 2014 Forum, decision was made that this forum would now be held every two years. The next forum to be held in 2016 and until then, TPU will continue to hold consultations with relevant stakeholders in addressing the 29 Communiqués.

OUTPUT 6: SEA ROUTE LICENSING

Stakeholder consultation on Sea Route Licensing (SRL) was undertaken in the Central Division (22/10/2015) and Northern Division (29/10/2015) apart from meetings conducted with shipping operators who serviced the economical routes in the country.

As per the revised work plan, the Tender document including the Terms of Reference (TOR) has been compiled and was distributed to Ministry of Finance and Solicitor General's office on 20th November 2015.

Cabinet Paper on the same had been circulated for consultation. All comments were received except for the comments from Department of National Development, Strategic Planning & Statistics. A Cabinet Paper was then submitted for Cabinet sitting in December 2015 with the recommendations for implementation of SRL.

OUTPUT 7: TRANSPORT PLANNING DATABASE

TPU was provided with a budget of \$750,000.00 to implement Fiji first ever National Transport Planning Database. This made it possible for TPU to pursue in conducting its first ever Household Travel Survey, a project anticipated to be implemented over 3 years and may extend depending on its outcome. For Phase 1, the tender was awarded to Predict Consulting which is now completed and we are currently waiting for the final report due by March 2016.

4 DEPARTMENT OF BUILDING AND GOVERNMENT ARCHITECT

The Department of Building & Government Architect is responsible in the provision of professional advice through consulting services, conceptual designing, quality architectural and structural drawings, project planning and management, costing and scheduling through quantity surveying, programming and monitoring from project inception to completion, administration of tenders and contracts for capital works.

The Department contributes to the strategic direction of the Ministry through Output 17, 18 and 19 as outlined in the 2015 ACP. The Outputs consist of the following;

- Maintenance and Operation of Public Buildings
- Design and Costing Services
- Construction Services

During the year there were 84 surveys and scoping documentation facilitated by the Department amounting to \$21.6million. A total of ten technical and tender evaluations were completed while twenty (20) feasibility studies were concluded for various government agencies amounting to \$10million. Under Output 19 on Construction Services, the Department achieved its targeted outputs through complete inspection of seven hotels with value of work amounting to \$25million.

On performance excellence and service delivery, the Department for the first time applied and was recognized with the Achievement in Excellence Award during the Fiji Business Excellence Awards at Sheraton Fiji Resort on 31 October 2015.



Figure 4: Deputy Secretary Operations (Mr. Manasa Lesuma) receiving the achievement in Business Excellence Award from His Excellency the President of Fiji (Ratu Epeli Nailatikau)



Figure 5: Mr. Lesuma giving his speech after receiving the award

5. DEPARTMENT OF WORKS

The Department of Works consists of the three Divisional Engineers Offices in the Central/Eastern, Northern and Western Divisions. The Department is responsible for the provision of professional advice, technical services and construction of project works for client Ministries and Departments. On project implementation, the department is provided with funding allocation and monitors the maintenance works including services of plants and equipment. Strategically, the Department's outputs are identified as Output 17, 19 – 28 in the Ministry's 2015 Annual Corporate Plan. These outputs consist of the followings;

- Maintenance & Operations of Public Buildings
- Construction Services
- Building Services – Air conditioning Lift Services & Fire extinguishers
- Repairs and maintenance – Vehicles Mechanical Services
- Plant Pool – Higher of Vehicles and Fuel Trading
- Repair & Maintenance – Servicing Rural Government Stations
- Construction – Electrical Services Administration
- Workshops Construction – Fabricated Steel Works, fitting, machining and Electrical Repairs
- Joinery Works
- Plumbing Works
- Freight Handling

The financial utilization rate of the Department in 2015 was 88% compared to 89% utilization in 2014. In terms of outputs, the Department was able to meet its entire target. A significant

achievement for the Department in 2015 was the remittance of a total of \$700k to the Ministry of Economy under its Trade and Manufacturing Account.



Presentation of TMA remittance to Government by the Honorable Minister, Praveen Bala, Assistant Honorable Minister, Vijay Nath and the Permanent Secretary, Mr. Paul Bayly.

Projects completed under output 19 on Construction Services includes the Navua Waiting Shed, President Caretaker Bure, Dada DO's Office, Dada DO's Quarters, Serua Sea Wall, Beqa Sea Wall, Ono-i-Lau Met. Compound upgrading, Lakeba FRA Shed, Lakeba FRA Shed Toilet Block, Koro DO's Office, St. Francis School, Maintenance of the Labasa Police Post and the rehab works at Muana Hydro, Natewa, Vanualevu.

The Department also constructed Ecological Purification Systems (EPS) in the Northern Division which includes Ravuka, Bagasau, Nabavatu, Naividamu, Nasolo, Nasuva and Nayarabale. The Western Division EPS were constructed in Semo, Tagaqe, Neilawa, Navala, Balenabelo and Biausevu.

6. DEPARTMENT OF ENERGY

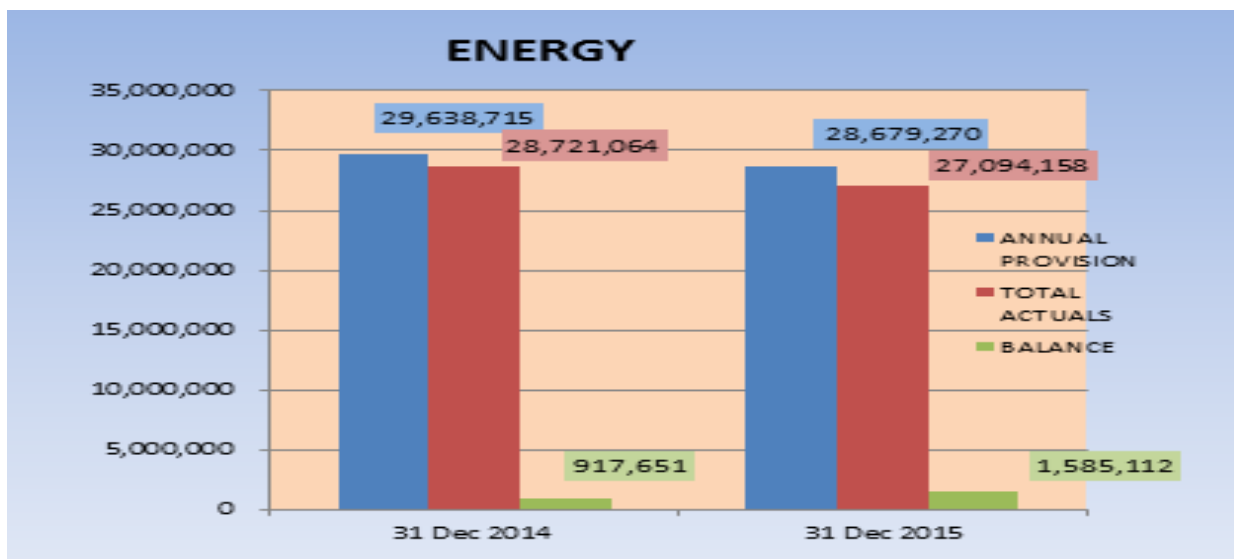
The Department of Energy (DOE) has the vision of a sustainable energy and the mission to provide an enabling environment through a resource efficient, cost effective energy sector in Fiji. The intention has been established in the past years where policy formulations are all aligning to the strategic priorities of the department. In addition, improvements to cater for the demand and issues encountered at the national and regional level.

The 2013 National Energy Policy (NEP) was submitted a number of times to Cabinet but yet to be deliberated. It provides the guideline for decision makers and defines the policies that Government

is pursuing to ensure development of the energy sector by 2030. The policy augurs well with other government documents including the Green Growth Framework, especially Thematic Area Seven (7) - Energy Security and the 2013 Constitution. The objectives of this policy are to achieve:

- Affordable energy for all.
- Sustainable energy supplies.
- Reduced energy import costs.

In 2015 the department was allocated a total budget of \$28.6 Million with a total six (6) core outputs. The graph depicted below is the department budget utilization for 2014-2015 and also showing the unutilized balance.



Graph: DOE budget utilization 2014 & 2015

The Department extensively contributes to the Ministry Outputs. Apart from the generic Output 1 on Portfolio Leadership, Policy Advice and Secretariat Support the DOE had been tasked to deliver Outputs 29 – 34 in the 2015 ACP.

The Output 29 is on the Provision of Energy Legislations and Policy Frameworks. In this output the department reviewed the 1993 Rural Electrification Policy to cover the 0% customer contribution. In addition, included the Energy Efficiency Chapters in the Fiji National Building Code. Lastly seek the endorsement of the 2013 National Energy Policy (NEP).

Under Output 30 the Implementation of Energy Legislation & Policy Frameworks. The main activity was the Formation of National Energy Coordinating Committee (NECC) to monitor the recommendation and implementation of NEP.

Under Output 31 Collaboration (Bilateral & Multilateral) with Financing Agencies. The United Nations Development Programme (UNDP) under Fiji Renewable Energy Power Project (FREPP) funded the management of Bukuya Mini Hydro project which included Feasibility Study on Tariff Guarantee Fund. In terms of Institutional Strengthening, they were also involved in Design and

Establishment of Solar Home System Tariff Collection Systems. For Sustainable Energy Financing Project the department achieved the 15 KPI targets for loan applications.

Under Output 32 on Research, Development and Deployment, the Department achieved the annual target by installing five wind and solar stations at Delaitagaloli at Ba, Kaba in Tailevu, Nadarivatu in Ba, Narara and Navolau in Ra. In addition, completed 2 hydro survey at Nakaugasele, Kadavu and Naiviqiri, Macuata.

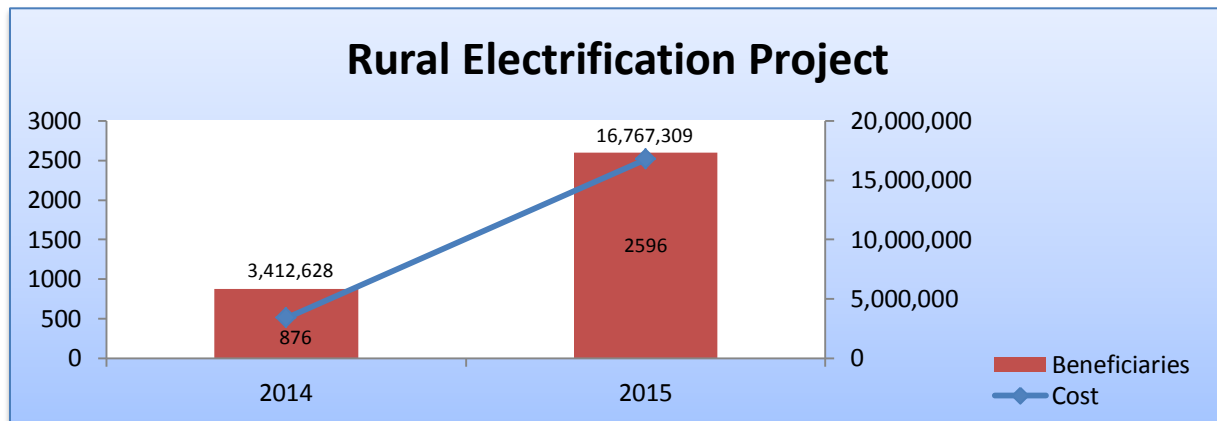


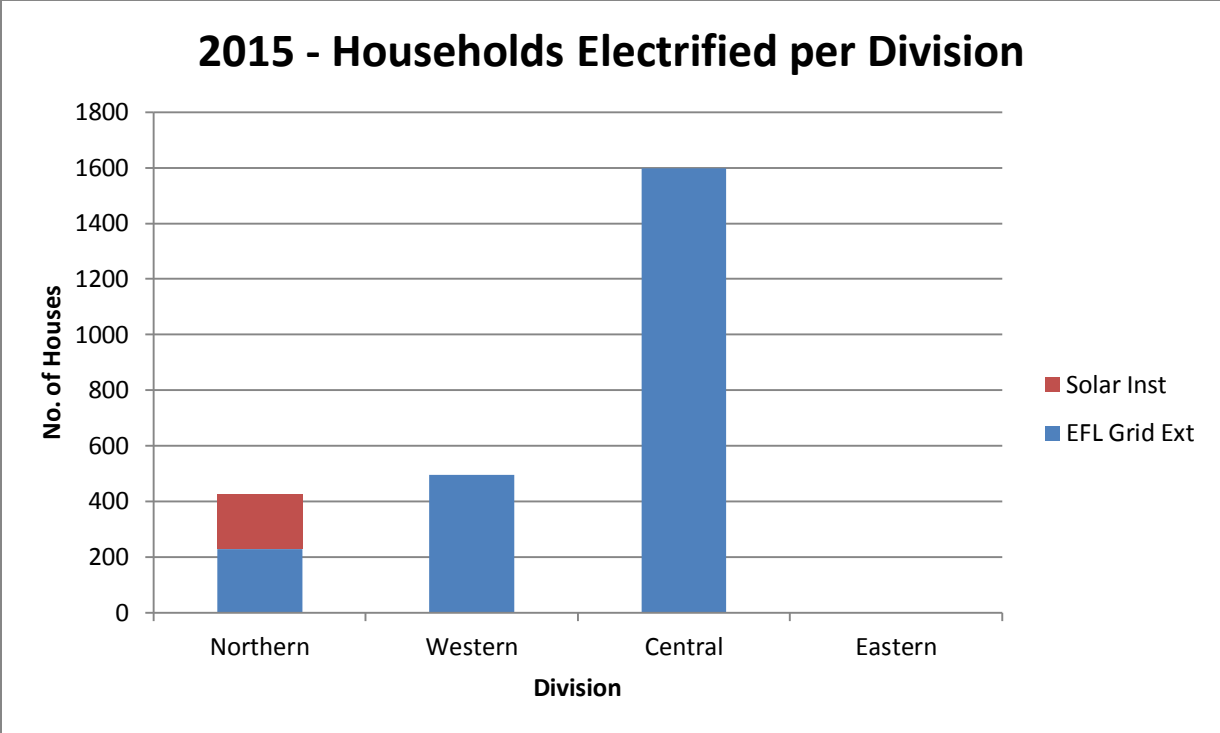
Figure 3: Hydro survey at Naiviqiri, Macuata



Figure 4: Wind Tower installation in western Viti Levu

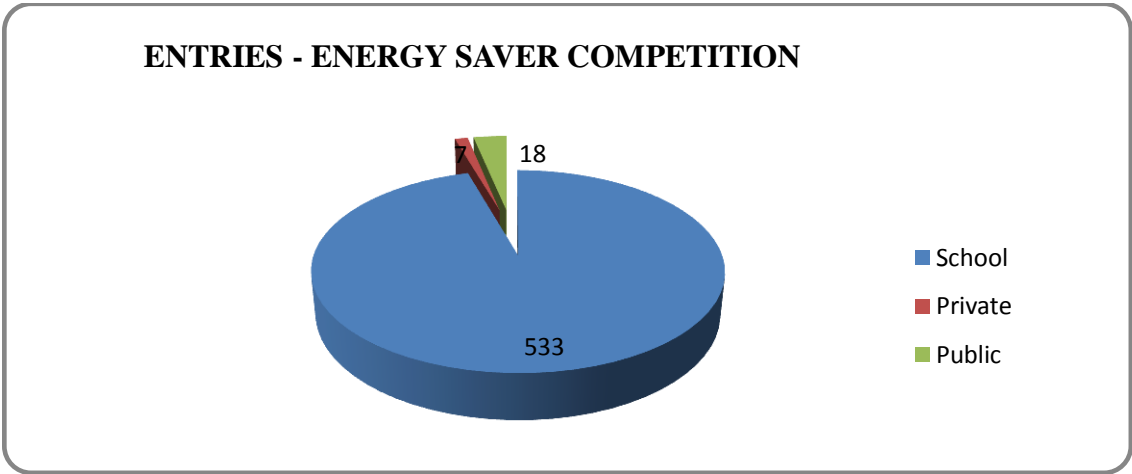
In terms of the provision of Energy Projects under Output 33, the Department was able to supply electricity to a total of 2,324 households. This includes Grid Extension projects and re-commissioned of Bukuya Mini Hydro Project. The Muana mini hydro in Cakaudrove was on 80% completion. In addition, Biogas project was also commissioned at Naleba Youth Camp, Macuata and Gyan Singh, Sabeto in Nadi.





Graph: Beneficiary and Cost of Rural Electrification Project – 2014 & 2015

Under Output 34 Energy Efficiency aiming for the reduction in energy intensity for all sectors of the economy. The department managed to receive 533 entries from schools, 7 private and 18 public sector entries participating in the Annual Energy Saver Competition. The KPI target was 500, however managed to achieve 558 entries. For Minimum Energy Performance Standards Labeling Program the department achieved a 99.92% compliant. The KPI was 98% compliant. From the total 19,206 imported freezers/refrigerators in the country, 19,191 compliant and only 15 non-compliant.



Graph: Entries participating in Energy Saver Competition - 2015

7. DEPARTMENT OF WATER AND SEWERAGE

The Department of Water and Sewerage (DWS) is responsible for the establishment of sound policy and regulatory frameworks for the provision of a sustainable water and sanitation sector. This involves the formulation of a Rural Water and Sanitation Policy, a National Water Policy and the Review of the Water Act.

In terms of water supply, the key priority is to provide clean, accessible and sustainable water supply and services to meet public demand. For sanitation, the focus is to have a standardized sanitation system that is clean and affordable, environmentally friendly both to the rural communities and urban centres.

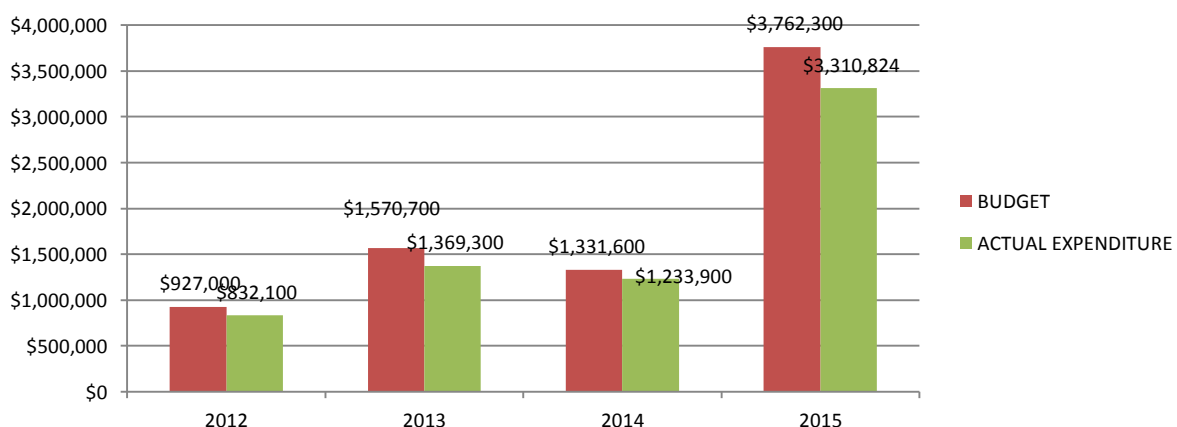
In terms of its contribution to the Ministry's strategic direction, the following are the Department's outputs:

- Public Awareness, Education and Training
- Licensing and Regulatory
- Monitoring and Compliance
- Research and Development

Financial Achievements

The financial utilization rate of the Department for the year was 88%, compared to the 92% utilization in 2014. Few minor capital and maintenance projects did not complete in the current year and were progressed to 2016. Graph below shows the budget utilization for the last 4 years.

Graph 7.1 Budget Utilization



Public Awareness, Education and Training

The Department's service delivery includes Public Awareness on water and sanitation. This is usually coordinated through radio talkback shows, newsletters and community workshops and training awareness. Stakeholder consultations were also conducted on the Rural Water and Sanitation Policy, Practical Guidelines for Water Supply Management Plan other project implementation issues for the water and sewerage sector. Graph below shows achievement for the Department.

Graph 7.2 Public Awareness



The Department also successfully facilitated the World Water Day Celebration with more than 300 students from 13 schools attending the celebration in Nadi. Students participated in the street procession, placard competition and oratory contest and prizes were allocated for the competitions. Awareness on water and sanitation was also conducted during this celebration.

In terms of staff education, training and capacity building, 10 staff attended local workshops and seminars and 6 staff attended short courses locally. A total of 5 staffs were given the opportunity to attend bilateral funded training overseas.

Licensing and Regulatory

Further to the Cabinet decision on the Rural Water and Sanitation Policy, the Department was mandated by Cabinet to review existing water and sanitation laws to avoid any duplication of roles and also to enable the Department to regulate water and sanitation functions effectively in the country. Relevant tender processes were initiated and approval was given by Government Tenders Board for the engagement of Bell Gully Consultant from New Zealand for consultancy works. The consultant's scope of work included the review of existing legislations and the formulation of new Water and Sewerage Acts and Standards/Codes of Practice for Fiji. Necessary submission was made to SG's Office for approval to engage the consultant however this was put on hold.

The Department continued to work with Water Authority of Fiji (WAF) in the formulation of Liquid Trade Waste Policy. This policy aims to facilitate the provision of an efficient and effective management system and mechanism for liquid trade waste discharge from industrial and commercial entities into the Water Authority of Fiji’s wastewater facilities for the protection of the environment and human health. WAF will be responsible for the implementation and the Department will be responsible for the monitoring of this policy. The Department in collaboration with Mineral Resources Department have also been working on the finalization of the National Water Resources Management and Sanitation Policy for submission to Cabinet for approval. The Policy was developed with the view of providing an overarching policy for all water-related issues and used as the basis for the formulation of a proposed legislation, which is currently lacking, to cover the water and sanitation sector. The Policy aims to provide a platform for Fiji to better its service provision, to manage its water resources and sanitation challenges and ensure the sustainable supply and utilisation for now as well as the future.

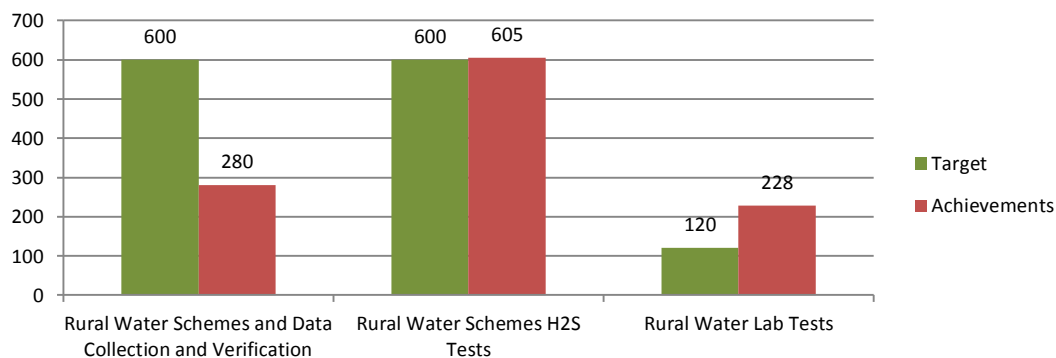
The 1st Phase of the National Water and Sanitation Database was also completed this year. ITC had been engaged for the development of this database. The database will be used for storing of water and sanitation data collected from rural communities which will be used for policy and planning purposes. It will also be made available to implementing agencies, NGOs and donor agencies for purposed of project planning and implementation. The Department continued with the licensing of Waterworks Fitters.

Monitoring and Compliance

Complaints in regards to WAF services were also monitored by the Department. The Department continued to work with WAF in ensuring issues were resolved within the WAF “Turnaround Time”. In total, 82 complaints were received through phone calls and 121 issues were noted through media sources. Annual water production for WAF was approximately 116,540 ML and WAF’s current water and wastewater network constitutes more than 3785 kilometers of pipes.

Rural data collection and verification is a major task the Department is carrying out in the rural areas to ensure water and sanitation services are available to the rural communities. Water quality testing using H2S kits and also in Labs are conducted for rural areas to check if safe water is provided to the communities. These results are usually forwarded to relevant agencies for their necessary actions. Graph below shows data collection and types of water quality tests conducted.

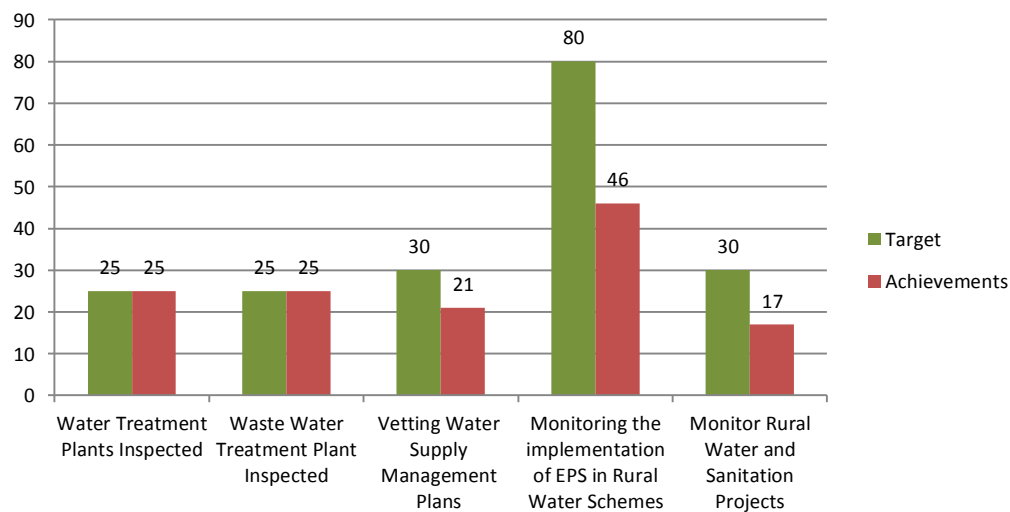
Graph 7.3 Rural Data and Water Quality Tests



Monitoring compliance to Rural Water and Sanitation Policy and the Practical Guidelines for Water Supply Management Plan has been in place since the approval of the Rural Water and Sanitation Policy back in 2012. Implementation agencies are required to submit Water Supply Management Plans for all their rural projects to the Department for approval before projects can be implemented. The Department inspects and monitors water quality for all rural projects.

Inspections of WAF Water and Wastewater Treatment Plants, rural water projects, Ecological Purification Systems (EPS), Clean Development Mechanism (CDM) project and Desalination Plants were also conducted to ensure compliance to national standards and plans. The Department also analysed WAF water and wastewater quality results to ensure they complied with the National Drinking Water Quality Standards and National Liquid Waste Standards respectively. Graph below shows achievements of the Department in regards to monitoring and compliance.

Graph 7.4 Monitoring and Compliance Achievements



Research and Development

Research and development of low cost and user friendly water and wastewater treatment technology has been a major output for the Department. The following has been achieved:

Ecological Purification System

The EPS is designed to make safe drinking water by use of natural ecological process without chemicals. The purification mechanism is based on the biological activity of algae, microbe and microscopic small animals. The impurities in raw water are eliminated and are decomposed by biological community which lives in an up-flow gravel tank and a sand tank. The system replicates the natural phenomena or process.

Following staff training in Japan in, the Department started research and modeling of the EPS. In 2012 and 2013 the Department successfully implemented two EPS pilot projects in two rural

communities namely Kalokolevu Village and Navatuvula Village. In 2014, an EPS Expert and JICA Volunteer were provided under the Technical Cooperation to provide assistance with investigation of EPS sites, design and planning, inspection of construction works, commissioning and training. The Department with the assistance of the EPS Expert had also designed and approved the localized version of EPS to be used for installation in rural communities. The implementation of community-based Ecological Purification System (EPS) projects was made possible by Government funding assistance through the DWS, construction by the Department of Works and Technical Assistance from JICA. Government provided a \$2 Million EPS budget to the Department in 2015 and 39 EPS projects were installed at a total cost \$1.425M. Clean water from these systems is benefitting approximately 9,440 people in the rural areas all over Fiji.

Ultrafiltration (UF) Water Treatment System

Ultrafiltration (UF) is a type of membrane filtration in which forces like pressure or concentration gradients lead to a separation through a semi permeable membrane. Solids and solutes of high molecular weight are retained, while water and low molecular weight solute passes through the membrane in the permeate which we call filtrate or treated water. The Department was able to identify and procure the UF System and will pilot it in Tubalevu Village in Tailevu. Water from the village borehole system will be treated using the UF system and clean and safe water will be supplied to the 350 villagers.

Advanced Septic Tank

The objective of this research is to compare the treatment performance of the conventional septic tank system with upgraded septic tank by the use of flow enhancement techniques, enhancement of surface area and anaerobic biological process techniques. The research will take at least two years to perfect the best combination of the many design variables and when successful, will be very useful for our coastal villages.

In the rural sector, poor designs of septic tanks have resulted in environmental pollution and increase in water borne diseases. This year, the Department has been researching on a more efficient and environmentally-friendly septic tank system coined as “advanced septic tank”. The Department had been involved in the design and testing of this model and intends to trial in the rural community.



Figure 1: JICA/EPS expert (Mr. Hidemitsu Eguchi) tried out a glass of water from EPS System in Naqali, Naitasiri



Figure 6: EPS Model in Navolau village, Naitasiri

8. DEPARTMENT OF FIJI METEOROLOGICAL SERVICES

The Fiji Meteorological Service (FMS) is responsible for providing weather, flood forecast and warning services for Fiji and other Pacific Island Countries. It operates the National Weather Forecasting Centre (NWFC) at Nadi, which serves Fiji's weather and climate information needs. It also hosts the Regional Specialized Meteorological Centre for Tropical Cyclone Centre (RSMC Nadi), under the World Weather Watch Program of the World Meteorological Organization (WMO), with the objective of providing weather forecasts, tropical cyclone and other severe weather warnings, and advisory information for the tropical Pacific region. Under the International Civil Aviation Organization (ICAO), FMS serves as the Meteorological Watch Authority as well as the Meteorological Watch Office for the Nadi Flight Information Region (FIR) and beyond.

The year experienced below average rainfall which caused meteorological drought and prolonged dry spell in parts of the country. Fiji's mean annual total rainfall during the year was second driest in 59 years of record. A total of forty-six (46) new climate records were established in 2015 which included thirty seven (37) temperatures, eight rainfalls and one sunshine record. There were no Tropical Cyclones that directly affected Fiji during 2015 however, strong winds and heavy rain were observed in some parts of the country during the passage of Tropical Cyclone Pam and Tropical Cyclone Reuben.



Above: Cutting of cake by the Honourable Minister Mereseini Vuniwaqa and the Acting Director for FMS, Mr. Aminiasi Tuidraki, commemorating the celebration of World Meteorological Day since 1950.

The World Meteorological Day (WMD) is celebrated worldwide every year on 23 March. The FMS celebrated World Meteorological Day in Suva at Laucala Bay Office. Many different activities and events were organized during the day focusing on the theme “Climate Knowledge for Climate Action”.

The Chief Guest, Minister for Lands and Mineral Resources, Honourable Mereseini Vuniwaqa, stated in her speech that “Government will continue to expect weather monitoring network, improved predictive capabilities, introduced new techniques to put on climate models to continue with research and development. Climate information must be informed and is easily understood by those who need it.”



Top: The chief guest, his Excellency the President, Ratu Epeli Nailatikau with senior staff of Ministry and Department of Meteorology.

The Fiji Business Excellence Awards is an annual event organized by the National Training and Productivity Centre (NTPC) of the Fiji National University (FNU).

It is designed to promote business excellence, improve productivity and quality in organizations. The Department for the second year in a row was recognized with a PRIZE AWARD.

During the year, six capital projects were carried out and completed amounting to \$2.89m. These included the upgrading of the Matuku manned weather station, installation of five (5) Automatic Weather Stations (AWS) in Vanua Levu, construction of the archives building and installation of five (5) telemetry water level stations, Fiji Integrated Meteorological System servers and workstation upgrade.

Also completed in 2015 was the project for Improvement of Equipment for Disaster Risk Management which was funded by the Government of Japan at a cost of \$5.08M FJD.



New Wainikoro AWS, installed as part of the Capital project including installation of 5 AWS in Vanua Levu. Measurements include: wind speed and direction, rain fall, temperature, humidity and atmospheric pressure



The installation of new water level and rainfall telemetry station at Toge. There were five new water level and rainfall telemetry stations installed in 2015 at Ba (2), Rewa, Tailevu and at the Macuata provinces.

Upgrading of Matuku and Ono I Lau stations below:



Construction of fencing and foot path for Matuku and Ono I Lau weather station



The Fiji Integrated Meteorological System (FIMS) Upgrade on the right was identified as one of the capital projects for year 2014 and completed in 2015. The aim of the FIMS upgrade project is to reduce hardware and maintenance costs and to simplify system administration. The upgrade of the FIMS systems caters for future growth ensuring delivery of essential services. (Picture to the right)



Above: Vatia Tidal Gauge - JICA Grant Aid Project



FIMS upgrade

9. DEPARTMENT OF GOVERNMENT SHIPPING SERVICES

The Department of Government Shipping Services (GSS) is responsible to achieve two key outputs under the Ministry's Annual Corporate Plan. These include Sea Shipping Services and Provision of Navigational Aids to sea farers.

The GSS received its new vessel 'MV Cagivou' in August 2015 and was commissioned by the Honorable Prime Minister, Mr. Voreqe Bainibarama on 05 September 2015. The vessel which cost FD\$5.76 million has a stern roll on roll off design and has a full capacity of 100 passengers. "Cagivou" meaning new winds is GSS's first vessel to be completely built for the conditions in Fiji by the Kian Juan Dockyard in Miri, Sarawak, Malaysia.

The Department installed and satisfactorily tested two sewerage treatment plants for vessels MV Rogovoka and MV Iloilovatu. Installation was completed and both units were tested with satisfactory results. Under Output 39 on Provision of Aids to Navigation, the Department continued to undertake maintenance to 78 beacons while eighteen (18) was newly installed around Suva Harbour to Nukulau and also changing top marks, belting, and painting.



Above: Pictorial image of the MV Cagivou



**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2015**

OFFICE OF THE AUDITOR GENERAL
Excellence in Public Sector Auditing



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File: 591

27 September 2016

Hon. Minister
Ministry of Infrastructure and Transport
Nasilivata House
Suva

Dear Sir

Audited Special Purpose Financial Statements

Ministry of Infrastructure and Transport for the year ended 31 December 2015

The audited Special Purpose Financial Statements for the Ministry of Infrastructure and Transport for the year ended 31 December 2015 together with my audit report on them are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the management of the Ministry for its necessary action.

Yours sincerely

Atunaisa Nadakuitavuki
for **Auditor General**

Cc. Permanent Secretary – Ministry of Infrastructure and Transport

Encl.

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2015**

INDEPENDENT AUDITOR'S REPORT

Scope

I have audited the special purpose financial statements, which have been prepared under the cash basis of accounting, and Notes 1 to 5 thereon of the Ministry of Infrastructure and Transport for the year ended 31 December 2015. The special purpose financial statements comprise the following:

- (i) Statement of Receipts and Expenditures;
- (ii) Appropriation Statement;
- (iii) Trading and Manufacturing Accounts;
- (iv) Trust Fund Account Statement of Receipts and Payments; and
- (v) Statement of Losses.

The management of the Ministry of Infrastructure and Transport is responsible for the preparation and presentation of the special purpose financial statements and the information contained therein.

My responsibility is to express an opinion on these special purpose financial statements.

My audit was conducted in accordance with the International Standards on Auditing to provide reasonable assurance as to whether the special purpose financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the special purpose financial statements and evaluation of government accounting policies. These procedures have been undertaken to form an opinion as to whether, in all material respects, the special purpose financial statements are presented fairly and in accordance with government accounting policies in Note 2 and the Financial Management Act 2004, so as to present a view which is consistent with my understanding of the financial performance of the Ministry of Infrastructure and Transport for the year ended 31 December 2015.

The audit opinion expressed in this report has been formed on the above basis.

Qualifications

Consolidated TMA Balance Sheet

1. Several TMAs did not have cash at bank account in the TMA balance sheet while one of the TMA's recorded nil Cash at Bank balance as at 31 December 2015. However significant amount of receipts and payments recorded in the TMA profit and loss statements. Separate cash account general ledgers were not maintained for these TMAs.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2015

INDEPENDENT AUDITOR'S REPORT *Cont'd*

In addition, Consolidated TMA balance sheet had cash at bank balance of \$5,285,919 while consolidated cash at bank reconciliation balance was \$4,041,812 as at 31/12/15. A variance of \$1,244,107 was noted.

As a result I was unable to ascertain the accuracy and completeness of the Cash at Bank balance of \$5,285,919 stated in the Consolidated TMA balance sheet as at 31 December 2015.

2. A variance of \$414,692 existed between the subsidiary records of debtor's totalling \$414,692 and the FMIS accounts receivable nil balance as at 31 December 2015. The Ministry did not reconcile the 2 records. I was not able to ascertain the correctness of nil accounts receivable balance stated in Consolidated TMA balance sheet as at 31 December 2015.
3. The Ministry did not invite the auditors to observe the annual stock take carried out for any of its 3 divisions towards the end of the year 2015. As a result I was not able to ascertain the correctness of the Closing Inventory balance of \$542,722 stated in the Consolidated TMA balance sheet as at 31 December 2015.

Qualified Audit Opinion

In my opinion except for the effects of the matters referred to in the basis for qualified opinion paragraphs,

- a) the special purpose financial statements present fairly, in accordance with the government accounting policies stated in Note 2, the financial performance of the Ministry of Infrastructure and Transport for the year ended 31 December 2015.
- b) the special purpose financial statements give the information required by the Financial Management Act 2004 in the manner so required.



Atunaisa Nadakuitavuki
for **Auditor General**

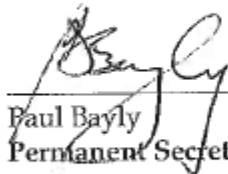
27 September 2016
Suva, Fiji



**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 DECEMBER 2015**

We certify that these special purpose financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Infrastructure and Transport and its financial position for the year ended 31 December 2015; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004 and the Finance Instructions 2010.


Paul Bayly
Permanent Secretary

Date: 26/9/16


Sen Jeet
Principal Accounts Officer

Date: 23/9/16

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
REVENUE			
Miscellaneous Revenue	3(a)	1,868,425	-
Fees - Miscellaneous	3(b)	-	296,013
Commission	3(c)	19,445	8,653
Reimbursement of Meteorological Services	3(d)	565,854	480,426
Registration	3(e)	850	1,700
TOTAL REVENUE		<u>2,454,574</u>	<u>786,792</u>
EXPENDITURE			
Operating Expenditure			
Established Staff	3(f)	11,527,198	7,971,839
Government Wage Earners	3(g)	6,951,361	6,243,152
Travel and Communications	3(h)	1,164,965	833,407
Maintenance & Operations	3(i)	8,165,823	4,205,583
Purchase of Goods and Services	3(j)	1,417,207	1,053,227
Operating Grants and Transfers	3(k)	19,446,939	16,237,939
Special Expenditures	3(l)	860,868	540,496
Total Operating Expenditure		<u>49,534,361</u>	<u>37,085,643</u>
Capital Expenditure			
Construction	3(m)	15,718,627	3,488,381
Purchases	3(n)	8,701,101	3,208,307
Grants and Transfers	3(o)	25,438,773	5,990,927
Total Capital Expenditure		<u>49,858,501</u>	<u>12,687,615</u>
Value Added Tax	3(p)	5,241,792	2,471,259
TOTAL EXPENDITURE		<u>104,634,654</u>	<u>52,244,517</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

SEG	Item	Budget Estimate	Appropriation Changes (Note 5)	Revised Estimate	Actual Expenditure	Lapsed Appropriation
		\$	\$	\$	\$	\$
	Operating Expenditure					
1	Established Staff	15,541,271	(1,523,110)	14,018,178	11,527,198	2,490,980
2	Government Wage Earner	9,337,086	(1,517,125)	7,819,961	6,951,361	868,600
3	Travel and Communications	1,207,120	18,000	1,225,120	1,164,965	60,155
4	Maintenance & Operations	8,665,719	(181,576)	8,484,143	8,165,823	318,320
5	Purchase of Goods & Services	1,594,982	(31,947)	1,563,035	1,417,207	145,828
6	Operating Grants & Transfers	19,657,797	-	19,657,797	19,446,939	210,858
7	Special Expenditures	1,311,323	467,196	1,778,520	860,868	917,652
	Total Operating Expenditure	57,315,298	(2,768,562)	54,546,754	49,534,361	5,012,393
	Capital Expenditure					
8	Construction	17,278,670	277,942	17,556,612	15,718,627	1,837,985
9	Purchases	7,055,360	2,160,000	9,215,360	8,701,101	514,259
10	Grants & Transfers	25,882,197	-	25,882,197	25,438,773	443,424
	Total Capital Expenditure	50,216,227	2,437,942	52,654,169	49,858,501	2,795,668
13	Value Added Tax	5,492,057	330,620	5,822,677	5,241,792	580,885
	TOTAL EXPENDITURE	113,023,582	-	113,023,600	104,634,654	8,388,946

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
CONSOLIDATED TMA MANUFACTURING ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
Opening Raw Materials		340,123	235,644
<i>Add:</i> Purchases		<u>2,367,908</u>	<u>3,109,181</u>
		2,708,031	3,344,825
<i>Less:</i> Closing Raw Materials		<u>253,933</u>	<u>340,123</u>
Raw Materials Used		2,454,098	3,004,702
<i>Add:</i> Direct Labour	3(q)	2,841,617	3,176,476
Opening Work in Progress		85,606	25,327
<i>Less:</i> Closing Work in Progress	3(r)	44,203	85,605
Cost of Goods Manufactured transferred to Trading Account	3(s)	<u>5,337,118</u>	<u>6,120,900</u>

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
CONSOLIDATED TMA TRADING ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
Sales	3(t)	9,070,829	9,004,949
Opening Finished Goods		277,391	146,817
<i>Add: Cost of Manufactured Goods</i>		<u>5,337,118</u>	<u>6,120,900</u>
Goods available for Sale		5,614,509	6,267,717
<i>Less: Closing Finished Goods</i>		<u>244,586</u>	<u>277,392</u>
Cost of Finished Goods Sold	3(u)	5,369,923	5,990,325
Gross Profit/(Loss) Transferred to P&L A/C	3(v)	<u>3,700,906</u>	<u>3,014,624</u>

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
CONSOLIDATED TMA PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
Income			
Gross Profit transferred from Trading Account		3,700,906	3,014,624
Other Income		616	1,115
Total Income		<u>3,701,522</u>	<u>3,015,739</u>
Expenses			
Travel and Communication		165,803	194,299
Maintenance and Operation		1,504,555	1,670,951
Purchase of Goods and Service		12,193	16,590
Special Expenses		1,669	3,105
Total Expenses	3(w)	<u>1,684,220</u>	<u>1,883,178</u>
Net Profit/(Loss)	3(x)	<u>2,017,302</u>	<u>1,132,561</u>

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
CONSOLIDATED TMA BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
Assets			
TMA Dominion Cash - Suva	3(cc)	5,285,919	2,555,511
Accounts Receivables		-	2,114,178
Deposits & Deductions		82,824	(52,784)
Inventory		542,722	703,121
Total Assets		5,911,465	5,320,026
Liabilities			
Accounts Payable	3(y)	27,143	27,143
Accrued Expenses		1,157,097	243,893
Total Liabilities		1,184,240	271,036
Net Assets		4,727,225	5,048,990
Equity			
TMA Accumulated Deficit	3(z)	(1,983,278)	(776,879)
Net Profit		2,017,302	1,132,563
TMA Surplus Transferred to CFA		4,693,201	4,693,306
Total Equity		4,727,225	5,048,990