



TO HAVE THE BEST FISHERIES IN THE PACIFIC



ANNUAL REPORT 2018 - 2019

Parliamentary Paper 37/2021

Permanent Secretary for Fisheries Ministry of Fisheries Level 1 Takayawa Building Suva, Fiji Telephone: (679) 3301 611

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REFERRAL LETTER FROM THE Permanent Secretary

17 February, 2020

Honorable Minister for Fisheries

Mr. Semi.T. Koroilavesau Ministry of Fisheries Level 1, Takayawa Building Suva

RE: 2018-2019 ANNUAL REPORT

Dear Sir,

It is with pleasure that I submit for your information and presentation to Parliament, the Annual Report for the Ministry of Fisheries for the period of 1st August 2018 – 31st July 2019.

The report highlights the Ministry's performance and achievement in delivering services to our valued stakeholders as reflected in the 2018-2019 Annual Operational Plan.

This report has been prepared in accordance with the provision of the Financial Management Act 2004.

The Report further encapsulates the commitment and diligence of all staff within the Ministry.

Yours Sincerely,

Craig Strong Permanent Secretary for Fisheries

Review by the Permanent Secretary

I have great pleasure in presenting the Annual Report in my capacity as the Permanent Secretary for the Ministry of Fisheries.

The report highlights the main activities and achievements of the Ministry for the fiscal year 2018-2019. It covers the areas of fisheries research, fisheries planning, development and management, marine conservation, aquaculture, training, financial management and human resource management.

2018-2019 was marked by several events of major importance. The Ministry opened new service centers in Moala and Cicia, developed a 10 years strategic development plan, reengineered the cornerstone of the Ministry's strategic direction – its Vision, Mission and Values; collaborated more effectively with our partners in development through organised training and capacity buildings, received assistance from Overseas Fishery Cooperation Foundation of Japan through its restoration project, revitalized our engagement with industry stakeholders, and the appointment of our executive management in the Ministry, to name a few of these significant events.

I am of the firm belief that having the best managed fisheries in the region means we must excel across our whole operation to build and maintain a sustainable fisheries sector. The responsibility is on us to design new approaches to managing our fisheries as without these means decline in food security, community wellbeing and economic resilience.

The Annual report includes information which will serve as a valuable reference for all stakeholders, the fishing industry, scientists and the public at large concerned with fisheries research, management, planning, training, marine science, protection and conservation and aquaculture. It is also important to provide the people of Fiji with some insight into the actual functioning of the Ministry. We do this in the present report by giving in a straightforward manner successes/challenges/issues faced by the heads of each of the 13 divisions of the Ministry.



A prominent feature of the future of fisheries in Fiji is the growing demand for fish, coupled with the fully exploited nature of many of the fisheries in the country – which could easily lead to the long-term falling production of fish. The Ministry of Fisheries will need to address proactively this threat at the community, national, and regional levels in order to safeguard the existing flow of benefits from our fisheries.

I would like to take this opportunity to thank the staff of my Ministry for their commitment and dedication to serving Fijians who depend on fisheries resources for their sustenance and livelihood.

Craig Strong Permanent Secretary Fisheries

Overview of the Fisheries Sector in Fiji

The Major Categories of Fishing

The fisheries sector of Fiji consists of three (3) key sectors. These are:

Offshore Fisheries

Coastal Fisheries (commercial and subsistence) Aquaculture (freshwater & brackish water)

The offshore fisheries mainly involve the use of longline gear targeting tuna (mainly albacore, yellowfin and bigeye) for export markets, but a wide variety of species are caught for both local and overseas consumption. Ministry reports show that in 2018 the 90 Fiji national longliners caught 12,283 tonnes of tuna and 2,089 tonnes of other pelagic fish¹. During the year 2018, approximately 70% of the fishing by Fiji longliners occurred in Fiji's waters, with 30% in International waters. The amount of catch in the offshore fisheries is determined by several factors, including the number of active vessels, oceanographic conditions, and the movement of fish - with some species of tuna capable of traveling thousands of kilometres. A major issue in the management of Fiji's offshore fisheries is the reality that, although Fiji is capable of limiting the tuna catch by its offshore vessels for sustainability purposes, it is much more difficult to limit the catch in neighboring waters - and the neighboring catch is likely to be from the same stock.

The coastal commercial fisheries of Fiji involve fishing in lagoons, reefs, deep-slopes and in nearby open ocean waters. Most boats involved in these fisheries are less than nine metres in length, but some of the fishing does not make use of a vessel. Coastal fisheries use many different kinds of gear (e.g. lines, nets, spears, traps) to harvest a very diverse range of finfish, invertebrates and algae. Estimating the amount of catch in Fiji's coastal fisheries is extremely difficulty due to hundreds of landing sites and thousands of fishers, but it is thought to be about 11,000 tonnes per year. Most of the landings are for the domestic markets, but some high value species, such as snappers and lobsters, are exported. The domestic flow of the coastal commercial catch around the country is considerable; a recent study showed that 70% of the coastal fish from northern Vanua Levu is marketed in Suva. A major issue in the management of Fiji's coastal commercial fisheries is the extreme difficulty of controlling the amount of fishing effort, especially on high value species and in areas close to urban centres.

The coastal subsistence fisheries of Fiji as the name

implies, are focused on production of food for home use. Significant amounts of fish are, however, given away to friends and relatives. Often attempts are made to market any valuable species captured, if a market exists (e.g. lobster to a resort). Subsistence fishery landings occur at coastal villages throughout the coastal areas of the country, roughly in proportion to the distribution of the population. Estimating the amount of catch in Fiji's coastal subsistence fisheries is fiendishly difficult. Nevertheless, various assessments have been made over the year, with a recent estimate being about 16,000 tonnes per year. A major issue in the management of Fiji's coastal subsistence fisheries is identifying the most appropriate way to provide assistance to Fiji's 850 coastal communities to ensure sustainability of their fishery resources.

The <u>freshwater fisheries</u> of Fiji are relatively small compared to the other fishery sub-sectors. Harvests of freshwater finfish and invertebrates in Fiji consist mainly of freshwater clams ("kai"), eels, various species of freshwater crustaceans, and introduced fish, such as tilapia and carps. Of these, the freshwater clams are by far the most important and fishing for this species occurs in all major river systems in Fiji. The harvest of all freshwater species has been estimated to be about 3,700 tonnes annually. Although there is little active management of freshwater fisheries in the country, a general principle is that management measures that are positive for freshwater resources (e.g. erosion control) are usually favourable for freshwater fisheries.

Aquaculture in Fiji continues to grow and make an impact on the lives of the coastal and inland communities of Fiji. The cultured species developed in Fiji over the years have expanded and include tilapia, carp, freshwater shrimp, milkfish, seaweed, giant clams, trochus, pearl oysters, beche-de-mer, sponges, mud crabs and corals. Fiji has a resilient climate, that brings out the immense potential for aquaculture and with greater collaboration with all key stakeholders, the Ministry will be developing a 10-year Strategic goal of growing aquaculture rapidly. Most efforts in the last few years have been focused on tilapia, shrimp, seaweed, coral and pearl oysters. The annual aquaculture production of the country has been estimated to be \$2.9 million².³

Territories. Secretariat of the Pacific Community, Forum Fisheries Agency, and Australian Aid, ISBN 978-982-00-1009-3.

¹ By international convention, the Ministry publications on tuna landings cover calendar years, rather than fiscal years.

Aquaculture commodities have not reached their ² This amount is somewhat misleading as it mixes the culture of low value species

⁽e.g. coral) with extremely high value species (e.g. pearls) to produce a total value.SPC. (2016). Fisheries in the Economies of Pacific Island Countries and

maximum potential yet, there is capacity for significant growth in this industry based on a supportive approach from the Ministry to stimulate large- and small-scale production. The Ministry therefore has plans in place to promote the cultured commodities produced to meet the domestic and international market demands, taking into consideration the various issues that need to be addressed.

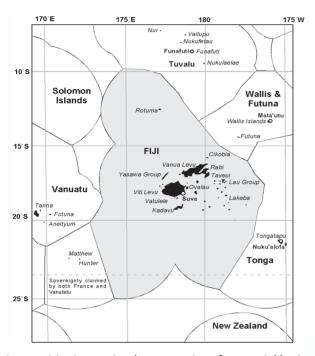


Image (a): International cooperation from neighboring countries is required to ensure the sustainability of Fiji's tuna resources

Some Notable Events in Fiji's Fisheries during 2018/2019

In the offshore fisheries the total annual catch of the three main species of tuna fluctuated over the previous decade and was greatest in 2017 - but there were no discernible trends (Figure 1). Catch rates (i.e. catch of tuna per 100 hooks set) over the same period showed a similar elevated rate for albacore for 2017.

In 2018 the Fiji national longline fleet was made up of 95 longline vessels: 13 vessels less than 21 metres in length, 36 vessels between 21 and 30 metres, and 46 vessels greater than 30 metres.

Albacore prices⁴, a major determinant of the profitability of the Fiji national longline fleet, reached a peak in 2012 at US\$3,700/tonne, fell to US\$2,250 in 2013, and increased to US\$3,750 in early 2019. Fuel prices, another determinant, generally rose in the period 2016 to 2019.

On the coastal fisheries side, one of the most notable events affecting the fisheries was the seasonal ban on taking "kawakawa and donu" Box A. The long-term benefits of the ban are indisputable, such as protecting the resource for future generations, but it did have some side effects. Fishery officers reported that some species seen rarely in the markets in the past, such as butterfly fish, appeared during the ban.

4 Bangkok canning grade albacore buying prices, according to the FFA Trade and Industry News

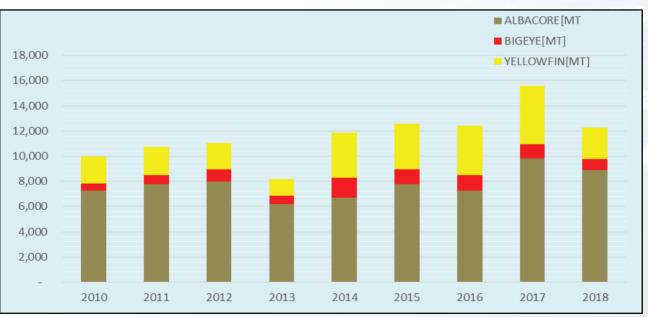


Figure 1: Catches of the Major Species of Tuna by the Fiji National Longline Fleet, 2010-2018

Source: Paper prepared by Offshore Fisheries Division of the Ministry of Fisheries for the Scientific Committee of the Western and Central Pacific Fisheries Commission

Box A: The Kawakawa and Donu Seasonal Ban

Kawakawa and donu (a total of 27 species of fish) are particularly vulnerable because they are highly regarded by consumers in Fiji and because they gather predictably each year in the same spots to breed. Those sites are commonly fished heavily, leaving few fish behind to restock Fiji reefs. Research has shown that, of the known breeding sites in Fiji, 80 percent are declining or gone.

The organisation cChange, through its 4FJ campaign, created a public awareness that action needed to be taken to assure that these important fish are available in the future. In June 2018 the Minister of Fisheries, using the powers of the Offshore Fisheries Management Regulations, banned the harvest, sale, buying, possession or export of all species of kawakawa and donu during their peak spawning months, from the 1st of June through to the 30th of September.

During the period covered by this annual report, the Ministry has devoted much effort to creating public awareness of the need for the ban and to its enforcement.

In May 2019 the Minister for Fisheries, Honorable Semi Koroilavesau said that there have been ample awareness efforts and consultations carried out in communities across Fiji. "In the first year of the ban, fish were confiscated, but no fines were levied, as we allowed time for everyone to become informed, and adapt to the new fishing rules," said Mr Koroilavesau. "This year, we are confident that anyone caught with these fish is intentionally breaking the law, and fines will follow."

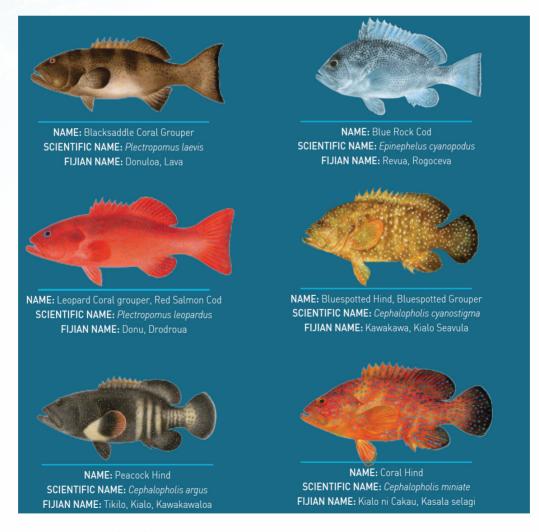


Image (b): Some of the fish covered by the seasonal ban

Contribution of Fisheries to Fiji's Economy

Exports

The official statistics on exports of Fiji, including fishery exports, are issued by the Fiji Bureau of Statistics using data collected by the Fiji Revenue and Customs Service. Table 1: gives the nominal fishery exports for the past three calendar years. The volumes and values are for finfish and invertebrates (i.e. code 03 of the Harmonized Commodity Description and Coding System (HS)), but do not include items such as coral, seaweeds, pearls and processed products. In recent years about 90% of the fishery exports of the country are from the offshore fisheries.

Table 1:	Fishery	Exports of Fij	i ⁵
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	Volume (tonnes)	Value (F\$)
2016	12,631	105,948,289
2017	9,399	85,302,058
2018	9,379	86,158,468

With the total domestic exports of Fiji in 2018 being \$1,193,191,000 (Fiji Bureau of Statistics website), the above 2018 fishery exports (category HS 03) represent 7.2% of all exports of the country.

Contribution to Fiji's Gross Domestic Product

The Fiji Bureau of Statistics has estimated that the fishing sector contributed \$73.1 million to Fiji's nominal gross domestic product (GDP) in 2018. This is compared to previous years in Table 2.

The contribution of fishing to the GDP of Fiji is a broad indicator of the importance of the sector to the national economy - and is widely quoted in the media, annual reports of the Ministry of Fisheries, and studies of the country's fisheries sector. The Fiji Bureau of Statistics each year estimates the fishing contribution and regional agencies have made independent estimates.

An important issue is that the standard international methodology for compiling a country's GDP (System of National Accounts (SNA)) recognises only a "fishing" sector which does not include post-harvest activities related to fishing. For GDP purposes, post-harvest fishery activities, including fish processing, are generally counted in manufacturing, transportation and other formal economic sectors. A study by the Forum Fisheries Agency in 20179 concluded that the GDP contribution of the broad fisheries sector in Fiji (i.e. fishing plus post-harvest activities) is about 67% greater than just the contribution of the narrow SNA fishing sector.

Employment

Information on fisheries-related employment in Fiji is not effectively captured by government employment assessments (e.g. the Fiji Employment/Unemployment Survey), mainly because of lumping fisheries with agriculture and forestry. An SPC survey in 2015 estimated 12,000 people are employed in coastal fisheries, 1,677 people as crew on offshore fishing vessels, and 2,000 people in tuna processing – for a total of 15,677 directly employed in the sector (full-time equivalent).

Table 2: Fishing and Ac	quaculture Contribution to	o Nominal GDP	(millions of dollars) ⁶

	2014	2015	2016	20177	2018 ⁸
Nominal GDP of Fiji	9,167.0	9,822.1	10,327.3	11,065.0	11,557.4
Contribution of fishing and aquaculture to nominal GDP	88.4	85.5	70.8	80.7	73.1
Percentage contribution of fishing and aquaculture to nominal GDP	0.96%	0.87%	0.69%	0.73%	0.63%

5 The official fishery exports for 2016 may be distorted by the erroneous addition in the export statistics of 3,706 tonnes of "Other tunas, skipjack or stripe-bellied bonito", which are likely to be re-exports. It should also be noted that export consignments are sometimes misclassified by exporters and/or the staff of the Fiji Revenue and Customs Service. As example, the 2018 statistics show exports of several taxa of fish that are not found in Fiji, including Gaddus, Salmonidae, and Homarus.

6 Source: Fiji Bureau of Statistics, Release Number: 72, 2019, Fiji's Gross Domestic Product 2018

7 Revised 8 Provisional 9 FFA (2017). The Contribution of Fisheries to the GDP of Fiji. Forum Fisheries Agency, 17 pages.

Overview of Ministry of Fisheries

OUR VISION

"To have the best Fisheries in the Pacific Region"

OUR MISSION

"To Sustain, to Manage and to Protect Fiji's Fisheries"

OUR STRATEGIES

Offshore Fishery: Create Value Coastal Fishery: Sustain & Diversify Aquaculture Fishery: Grow Rapidly Quality Strategy: Deliver Impact

Our Values

In everything we do we act with:

Excellence Integrity Innovation Inclusiveness Professionalism Accountability

Services of the Ministry of Fisheries

The Ministry of Fisheries provides many types of services, ranging from providing assistance to individuals/groups to supplying public goods to the nation. Examples of providing assistance to individuals/groups are:

- Providing advice on fishing and aquaculture development
- Surveying traditional fishing areas and assessing the associated fishery resources
- Carrying out research to provide information for fisheries management
- Producing ice for selected communities
- Providing advice to groups on the formation of fisher associations
- Responding to reports of illegal fishing activities
- Providing juvenile giant clams for reef re-seeding
- Undertaking fisheries impact assessments

Examples of the Ministry supplying public goods to the nation are:

- Enforcing the provisions of the Fisheries Act, Offshore Fisheries Management Decree, and subsidiary regulations
- Taking measures to mitigate over-exploitation of coastal resources
- Monitoring the catches of offshore fishing vessels
- Monitoring the fishery exports of the country
- Surveying of fish markets to estimate commercial fisheries production in the country

- Deploying fish aggregation devices to assist smallscale tuna fishers
- Representing Fiji's fishery interests in international forums

In terms of how the Ministry organizes the delivery of its services, the technical divisions (Inshore Fisheries Management, Aquaculture, etc.) possess most of the detailed knowledge in their respective fields and interface both directly with stakeholders and indirectly through other Ministry staff in the service centres around the country.

Over the years there has been an evolution in the type of services provided by the Ministry and its predecessor agencies. In the 1970s and 1980s most of the services provided by the then Fisheries Division related to fisheries development, namely increasing the production of fish by such ways as encouraging more efficient fishing gear and promoting boatbuilding. In the 1990s there was general recognition that many of Fiji's fishery resources were becoming fully exploited and the Fisheries Division started putting much more effort into advisory services related to fisheries management; that is, advising individuals and groups of the need for, and benefits of, preventing over-exploitation.

During FY 2018/2019 the Ministry has focused considerable attention on improving the delivery of services. A summary of these efforts is given in Box B.



Box B: Reform in Service Delivery in the Ministry of Fisheries

In early 2019, with the change in the top three civil servants in the Ministry of Fisheries, the Ministry embarked on a process of reform, with a focus on the stated mission, service delivery, branding, and standards. The reform started by (a) process mapping (in order to standardize processes throughout the Ministry) and (b) people mapping (in order to have appropriate levels of staffing in the various technical subjects and geographic areas). As of the end of the 2018/2019 year, several changes have been made in the Ministry, including:

- Starting the process of aligning existing resources of the Ministry among the divisions to areas that have urgent needs, thereby lifting performance standards. This requires some changes to job descriptions and transferring some staff.
- Renaming the various Ministry offices: Headquarters has become the National Support Office, the Divisional Offices have become Regional Support Offices, and the Fisheries Stations have become Service Centres. To the degree possible, these centres are becoming "one-stop shops".
- Training of selected staff as "Service Delivery Champions", with the role of consistently advocating improving service delivery through implementation of the Ministry's Service Guarantees and Protocol.
- Pursuing greater accountability of staff through more rigorous monitoring and feedback. An example of the impact of this is faster repair of malfunctioning ice plants.
- Improving the physical outlook: branding such as improved signage for offices and vehicles and improved telephone protocol.
- Formulating a new strategic plan, with a 10 year-goal, 3-year priorities, and a 1-year plan.



Image (c): New logo and branding for the Ministry

Organisational Structure

The Ministry has thirteen divisions in three categories: geographic (four divisions), functional (five divisions), and corporate (four divisions).

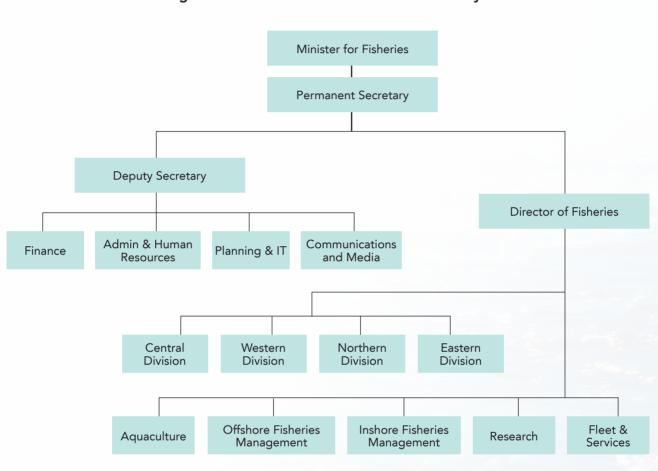


Figure 2: Functional Structure for the Ministry

The Service Centres and Research Centres

In addition to the National Service Centre (formerly known as Headquarters) in Toorak, the Ministry has facilities in various places around the country. These include four Regional Service Centres (formerly known as Divisional Offices) and twenty three (23) Service Centres (formerly Fisheries Stations). There are also five Research Centres, located in Galoa, Makogai, Naduruloulou, Dreketi, and Rakiraki.

Human Resources

The total approved staff of the Ministry of Fisheries in FY2018/2019 was 367 people. The breakdown of the staff categories is given in Table 3

	Established Officers	Government Wage Earners	Employed on Project Activities	Total
Total approved staff	194	107	66	367
Positions filled	165	93	51	309
Vacancies	29	14	15	58

Table 3: Staffing of the Ministry of Fisheries

During the year 34 people were newly recruited to the Ministry. Seven staff left the Ministry: four resigned and three retired.

The various types of training received by Ministry staff training during FY2018/2019 is given Table ###.

Table 4: Training of Ministry Staff during the Year

Training Type	Number of Person-Events		
Local training	448		
Overseas training	97 (62 at meetings/workshops)		
Attachments	110		
Study leave (both full-time & part-time)	28		
Total	683		

Senior Executives and their Responsibilities

The Offshore Fisheries Management Decree specifies the functions and authorities of the Minister, Permanent Secretary and Director of Fisheries. The Decree states:

The **Minister** shall: taking into account the advice of the Offshore Fisheries Advisory Council, give general policy guidance on fisheries matters; and delegate responsibilities and give general or special directions to the Permanent Secretary from time to time.

The Permanent Secretary shall:

- Advise the Minister on any matter relating to the conservation, management, development and sustainable use of fisheries resources and in relation to any of the functions, powers and responsibilities of the Ministry;
- Designate marine protected areas;
- Make decisions based on recommendations relating to licensing;
- Exercise such other functions and authorities as may be prescribed in accordance with this Decree.

The Director of Fisheries shall:

- Advise the Minister and Permanent Secretary on any matter relating to the conservation, management, development and sustainable use of fisheries resources and in relation to any of the functions, powers and responsibilities of the Department;
- Develop, coordinate and facilitate the implementation of national policy and strategies concerning fisheries conservation, management, development and sustainable use;
- Manage and coordinate the conservation, management, development and sustainable use of fisheries resources;
- Manage and coordinate monitoring, control and surveillance of fisheries activities;
- Monitor and advise on international developments in fisheries matters and ensure the fulfilment of obligations of Fiji under international agreements;
- Promote and facilitate fisheries research, training and education;
- Promote and facilitate the development of Fisheries Management Plans;
- Identify and recommend the designation of marine protected areas;
- Make recommendations relating to licensing to the Permanent Secretary;
- Exercise such other functions and authorities as may be prescribed in accordance with this Decree.

Performance Management

In compliance to requirements outlined in the Civil Service Performance Management Guideline, staff performance were assessed and moderated for the period May 2018 to April 2019. It is to be noted that movements of salary within the salary band and payment of salary arrears were not implemented during the period as this was subject to funding availability.

A total of 202 officers at Tier 4 level and below have their performance assessment moderated by the Ministry Moderation Committees and there was no staff whose position were assessed and moderated by the Inter Ministry Moderation Committee (IMMC). The moderation was for Annual Performance Assessment and Probation Assessment.

For this exercise, tabulated below is the summary of the confirmed staff performance results in terms of salary movement by Work Unit/Division:

Work Unit	Step 1-2	Step 2-3	Step 3-4	Step 1-3	Step 1-4	Step 2-4	No Step Movement
Research Division	3	5	1	0	0	0	8
Aquaculture Division	2	5	10	0	0	0	8
Inshore Fisheries Management Division	1	0	0	0	0	4	5
Offshore Fisheries Management Division	13	24	1	0	0	0	0
Central Region	4	3	3	0	0	0	13
Eastern Region	3	4	2	0	0	0	2
Northern Region	1	4	4	0	0	0	23
Western Region	3	2	0	0	0	0	5
Planning, IT and Library	1	0	0	0	0	0	3
Fleet and Technical Services	2	1	1	1	0	0	2
HR, Admin and Training	4	6	3	0	0	0	6
Finance	0	0	1	0	0	0	6
TOTAL	37	54	25	1	0	4	81

In comparison to 2017-2018, it must be noted that the Performance Management Guideline was fully implemented by the Ministry.

Infrastructure

The major infrastructure assets controlled by the Ministry consisted of vehicles, ice-plants, and vessels. The number and status of this infrastructure in FY2018/2019 is summarised in Table 5.

Type of Asset	t Number Operational Num Non-Ope		Total
Ice-plants	22	2	24
Vehicles	40	7	47
Outboard vessels	20	0	20
Inboard vessel	1	0	1

Table 5: Major Infrastructure Assets of the Ministry

Table 6 Location and Condition of the Ministry's Ice-Plants

Location	Condition	Location	Condition
Wainibokasi	Good	Lekutu	Good
Ва	Good	Nabouwalu	Good
Rakiraki	Good	Savusavu	Good
Lautoka	Good	Labasa	Good
Sigatoka	Good	Wainikoro	Good
Rabi	Good	Levuka	Good
Vunisea	Good	Navua	Good
Taveuni	Good	Gau	Good
Lakeba	Lakeba Good Rotuma		Out of service
Namarai	Good	Cicia	Good
Vanuabalavu	lavu Out of service Mo		Good
Kavala	Good	Kubulau	Good

In FY2018/2019 the Ministry had 47 vehicles: 35 were leased and 12 were non-leased. Seven of the 47 vehicles were under repair at some point during the year.

Of the Ministry's 20 outboard-powered vessels, during the year 8 were operational, 4 were under-repair, and 8 were written off. The Ministry's only inboard-powered vessel, the Onaga (33 ft boat based in Labasa), was operational during the year.

Public documents produced by the Ministry in 2018/2019

Documents in the public domain that were either produced during FY2018/2019 by the Ministry, produced on request from the Ministry, or had staff of the Ministry as authors are:

- Gillett, R. and K. Musadroka (2019). Aspects of Fiji's Domestic Fish Trade. David and Lucille Packard Foundation, 30 pages.
- Lee, S., A. Lewis, R. Gillett, M. Fox, N. Tuqiri, Y. Sadovy, A. Batibasaga, W. Lalavanua and E. Lovell (2018). Fiji Fishery Resource Profiles. Gillett, Preston and Associates and the Wildlife Conservation Society, ISBN-13: 978–0-9820263–6-6, 264 pages.
- OFMD (2018). Annual Report of Fiji to the Western and Central Pacific Fisheries Commission. Offshore Fisheries Management Division, Ministry of Fisheries, Suva.
- OFMD (2019). Annual Report of Fiji to the Western and Central Pacific Fisheries Commission. Offshore Fisheries Management Division, Ministry of Fisheries, Suva.

- Prince, J., A. Hordyk A, S. Mangubhai, W. Lalavanua, L. Tamata, J. Tamanitoakula, T. Vodivodi, I. Meo, D. Divalotu, T. Lobi, E. Loganimoce, K. Logatabua, K. Marama, D. Nalasi, W. Naisilisili, U. Nalasi, M. Naleba, and P. Waqainabete (2018). Developing a System of Sustainable Minimum Size Limits for Fiji. SPC Fisheries Newsletter, Volume 151, pages 51–60.
- Prince, J., W. Lalavanua, J. Tamanitoakula, E. Loganimoce, T. Vodivodi, K. Marama, P. Waqainabete, F. Jeremiah, D. Nalasi, L. Tamata, M. Naleba, W. Naisilisili, U. Kaloudrau, L. Lagi, K. Logatabua, R. Dautei, R. Tikaram, and S. Mangubhai (2019). Spawning Potential Surveys for 29 Stocks of Fijian Reef Fish Reveals the Urgent Need for Effective Management. SPC Fisheries Newsletter. Volume 158, pages 28-36.
- Sadovy de Mitcheson, Y., S. Mangubhai, A. Witter, N. Kuridrani, A. Batibasaga, P. Waqainabete, and R. Sumaila (2018). Value Chain Analysis of the Fiji Grouper Fishery. Report of Science and Conservation of Fish Aggregations (SCRFA), United States. pp 57.



Highlights in the Divisions

To provide insight into the functioning of the Ministry, the major achievements, challenges, and issues in each of the thirteen divisions of the Ministry are presented in the sections below. This information is from the perspective of the head of each division. Because all the divisions are constrained to some degree by financial and other resource limitations, those types of constraints are not specifically cited.

Regional Center Operations

The four regional centers (West, East, North and Central) are the operating arms of the Ministry to the 850 Fijian communities nationwide. They provide extension and advisory services to all Fijians and ensure that policies, plans and standards developed and implemented are operationalized at regional level.

Central Division	Northern Division	Western Division	Eastern Division
 The Central Division is based n Nausori. The following are their achievements: As Fish Warden Forum organized to discuss with opportunities for improvement in enforcement; 2 island-based fisheries surveys (Beqa, Qoma), the weekly fish market surveys in the Suva-Nausori corridor, eight sea patrols and 22 land batrols for law enforcement burposes, and a specialised operation to counter the ncreasing harvest and sale of undersize crabs and fish. The major challenges faced during the year were related to the high population of the Central Division (one-third of the population of the Central Division (one-third of the population of the country) and the associated high demand for seafood. This situation results in high pressure on the fishery resources and often leads to Illegal fishing. Two important ssues for the Central Division are: Although several groups would like to establish fisher associations there is not much information on the most appropriate way for the Ministry to assist. The Central Division has a relatively large number of fish farmers, especially in the provinces of Naitasiri and Tailevu, but there is a lack of up to date information on the number, location, and status of farmers. 	The Northern Division is based in Labasa. The following are the Divisions achievements: training of 47 fish wardens from the districts of Nasavusavu and Kubulau; assistance to 13 community- based oyster spat farms; the development and launching of the Community Based Mud Crab Management Plan in Bua in collaboration with the Wildlife Conservation Society, and assisting the establishment of several fisher associations: Nabouwalu, Yadua, Kia, Udu, and Cikobia. The major challenges faced during the year are (1) the inability to determine the quantities of fish that are moved from the division to Suva despite the large importance of that trade, (2) the difficulty of fisheries surveillance/ enforcement in such a large fishing area and numerous landing sites, and (3) the inconsistent supply of tilapia fry from the Dreketi Hatchery to support the aquaculture development needs of the division. An important issue for the division is the high expectations of many communities for a solar refrigeration plant coupled with the inability of the Ministry to meet that demand.	The Western Division is based in Lautoka. Its management considers the major achievements during the year to be exceeding the targeted of 500 fishing license were issued, Strengthening the kawakawa/donu seasonal ban, enhanced enforcement of sea cucumber ban, and cooperation with the Fiji Navy in two maritime surveillance operations. One of the major challenges faced during the year is that, although many communities in the division have expressed interest in taking measures to assure the sustainability of their inshore fishery resources, night divers based in Lautoka appear to be wiping out fish in many areas, but the Ministry can do little to detect and apprehend those divers. Some of the important issues for the Western Division are: • The need for a process to establish and register fisher associations. • At the community level, the unclear relationship between the work of the Ministry and that of NGOS. • The need to create awareness of fisheries regulations among the commercial sportfishing operations based at resorts.	The Eastern Division is based in Lami. Its management considers the major achievements during the year to be: facilitating the formation of fisher associations, assisting in the establishment of several marine protected areas,deploying 13 fish aggregation devices, undertaking community awareness work, and training communities in fisheries enforcement, and promoting the concept of linking fisher associations to markets. The major challenges faced during the year were related to the isolated nature of many of the islands of the Eastern Division, which creates problems for the division to visit, monitor, and communicate with communities. An important issue is that improving the communication through better internet and telephone connections to the nine service centers would provide more information on a timely basis. Secondly, providing the nine stations with bigger and safer aluminum vessels will lead to better coverage to the surrounding islands that are quite inaccessible and therefore currently experience difficulty in accessing Ministry services.

Offshore Fisheries Management Division

The Offshore Fisheries Management Division is based in Walu Bay. Its management considers the major achievements during the year to be assisting in the Marine Stewardship Council sustainability certification of more than 70% of the national fleet participating in the albacore and yellowfin tuna longline fishery, the ratification and adoption by Fiji of the Port State Measures Agreement, the high coverage by observers of offshore fishing vessels (35%), 100% boarding/inspection of fishing vessels entering Suva and Levuka ports ensuring flag and coastal State responsibility in compliance to fisheries laws (as reflected by the large number of successfully prosecuted fishery infraction cases and the large number of fixed penalty notices issued), the large number of successfully prosecuted fishery infraction cases, the large number of fixed penalty notices issued, and the amount of revenue generated during the year (\$980,540 from fees/charges).

Inshore Fisheries Management Division

The Inshore Fisheries Management Division is based in Walu Bay. Its management considers the major achievements during the year to be the recruitment of staff for this new division including a seven-person compliance team and 12 market survey data collectors, the formulation of standard operating procedures for compliance and data collection, the drafting of key inshore fisheries management policies/plans, carrying out training in compliance and prosecution, planning and delivery of the second national fisheries enforcement forum, and national consultations on mud crab and giant clam management strategies. The main challenges are:

- Lack of a robust methodology for the fish market survey
- Poor compliance with bans on the taking of endangered and protected species amongst certain sections of the business and wider community
- Outdated legislation that does not reflect current fisheries management needs
- Ineffective penalty regime for inshore fisheries offences

Research Division

The Research Division is based in Lami. Its management considers the major achievements during the year to be the implementation of the Ridge to Reef project in Namuka and Dogotuki, undertaking spawning potential ratio surveys (which led to revision of size limits of 78 fish species), trial culture of mangrove oysters in the delta of the Rewa River, value-adding projects for Mabe pearl farmers, and the reopening of Makogai Mariculture Research Station to fully operational scale. The major challenges faced are the difficulty in engineering ownership of projects by communities (i.e. altering the perception of being government projects), the low capacity of research staff in the use of digital research tools, and inclement weather.

Aquaculture Division

The Aquaculture Division is based in Lami. Its management considers the major achievements during the year to be (a) the substantial technical assistance provided to more than 100 tilapia farmers including the supply of 663,000 tilapia fry produced from the government hatcheries, (b) procurement of tilapia hatchery equipment's through JICA for Naduruloulou Research Station, (c) the installation of the floating feed machine at Nuduruloulou, (d) training of farmers and Ministry of Fisheries aquaculture officers, and (e) the research on tilapia brood-stock. The major challenges faced are:

- Improper hatchery facilities and poor specialized aquaculture equipment's
- Poor shrimp broodstock quality
- The lack of specialised training that is aligned to global aquaculture trends
- The lack of a database for aquaculture management

An important issue for the division is the reality that many important components for successful aquaculture development are lacking: an aquaculture development plan, appropriate legal framework, aquaculture licensing policy, and economic expertise.

Fleet and Services Division

The Fleet and Services Division is based in Lami. Its management considers the major achievements during the year to be the replacement of ice-plants for Wainibokasi (phasing-out of ice-machines with ozonedepleting gasses), replacement of the Nabouwalu iceplant through assistance from OFCF, the installation of new ice-plants and generators in Moala and Cicia, the repair of ice storage facilities in Lautoka, Vunisea, Labasa and Kavala, the acquiring of an aluminum vessel to support surveillance/enforcement operations, and the general efficient operation of ice-plants through strict monitoring of production and sales. The major challenges faced were the old ice-plants in the Western Division (Lautoka and Ba), the difficulties of coordinating service/ repair activities due to communication difficulties, and the inability to timely service the ice-plants and generators

in the Maritime Islands due to transport logistics. Some issues that deserve highlighting are the importance of the Regional Support Offices taking ownership of ice-plant operations, the commitment of Service Centre staff to the daily operation and maintenance of the ice-plants, and the timely submission of data on ice-plant operations.

Planning and Information Technology Division

The Planning and Information Technology Division is based in Toorak. Its management considers the major achievements during the year to be (1) the strengthening of partnerships, collaboration and coordination through such mechanisms as the establishment of the Ministry's Capital Projects Committee and the division's participation in various committees, (2) provision of policy advice through analysis and production of documents on various technical topics (e.g. fees & charges for ice, transshipment levy, National Agricultural Census, Fisheries Business Investment Guide, Statistical Committee), (3) drafting of memos for strengthening national, regional and global alliances, including MOUs with Indonesia's Marine Affairs and Fisheries, China's Ministry of Agriculture & Rural Affairs, and Fiji's Hotel & Tourism Association, and (4) the development and maintenance of the Ministry's website. The major challenges faced are: (a) The scarcity of consistent, accurate, and reliability of data for the analysis that the division is supposed to carry out, and (b) the lack of stakeholder groupings at the national or sub-sector level (e.g. inshore fisheries, National Fisheries Council) to formally discuss critical issues such as policies, constraints, and desirable Ministry assistance. An important issue for the division is that, although there are occasional opportunities for Ministry staff for training on such topics very relevant to the division such as economics, trade, and statistics, officers from other divisions are often nominated to attend.

Finance Division

The Finance Division is based in Toorak. Its management considers the major achievements during the year to be the progress made on separation of the Fisheries accounts from the accounts of the former Ministry of Fisheries & Forests, the setting up of a new Finance Division, and compliance with most of the main requirements of the Financial Management Act. The main challenges faced are the difficulties related to the complete separation of accounts from the Ministry of Forestry, and the lack of demarcation of assets between the two ministries – both of which are delaying the audited 2017/2018 Annual Financial Statement.

Administration and Human Resources Division

The Administration and Human Resources Division is based in Toorak. Its management considers the major achievements during the year to be the development for the relatively new Ministry of Fisheries of planning documents, policies, and guidelines, including the Human Resources Manual, the Training Policy & Training Plan, Open Merit Recruitment & Selection, and Disciplinary Guidelines. Another significant achievement was the contractual appointment of 133 officers for the Ministry. The main challenges faced were (1) the different interpretation by Ministry staff of the policies and guidelines, and (2) despite the recent emphasis on correcting behaviour, staff at various levels in the Ministry are ignoring the Code of Conduct. An important issue for the division is the poor internet service at the maritime service centres, resulting in poor communication with officers on important Civil Service or Ministry information.

Communications and Media Division

The Administration and Human Resources Division is based in Toorak. The single person in this division considers the major achievements during the year to be the coverage of meetings, workshops/trainings, successful projects, ministerial tours, participation in talkback shows, responses to media queries, and production of press releases. The main challenge is that there is only one officer in the Division.

Report on Performance

Introduction to the Planning Process in the Ministry

The Ministry of Fisheries has a well-developed process for formulating its activities. That process and the associated annual cycle are given in Box G.

Box G: The Planning Process in the Ministry of Fisheries

There are several sources of guidance for the formulation of the activities of the Ministry of Fisheries. These include high-level documents such as the constitution, the 5 and 20-year development plans, and the current budget strategy. Within the fisheries sector, direction is provided by the relevant laws and regulations, and several policies/strategies which, although still in draft form, provide considerable guidance: National Fisheries Policy, Aquaculture Strategic Plan (2016-2020), Inshore Fisheries Policy & Framework, National Compliance Strategy 2019-2023, and National Strategy on Aquatic Biosecurity. Within the Ministry the main sources of information for planning are the draft Ministry Strategic Plan 2018-2022, the Ministry's Annual Operations Plan, the results of quarterly monitoring/evaluation of the Annual Operations Plan and of capital projects, and priorities identified from divisional heads and managers.

The timing of some of the major events in the formulation of activities is:

- 1st week February: National Budget Strategy tabled to Cabinet; approved National Budget Strategy circulated to all ministries
- 1st 2nd week February: Mid-year review of the Ministry of Fisheries strategic and annual operational plans, capital project plans, new project proposals, and budget submissions from all the Ministry's divisions; The main planning workshop for the ministry
- 3rd week March: Final assessment and review of the Ministry budget for new financial year; Compilation of all budget submission documents
- Last week of March: Submission of the Ministry's Annual Budget and Public Sector Investment Programme to the Ministry of Economy
- 15 26 April: Minister for Economy consultations with ministries and departments
- 1 31 May: All annual performance assessments and work unit results compiled for assessment
- 1st week June: The tabling of budget documents to Cabinet; Parliamentary Budget Announcement
- 3rd week June: Parliamentary debate on the budget
- 1 31 July: Finalisation of the costed Ministry of Fisheries Operations Plan, Division Business Plans, and Individual Work Plans for sign off by the executive management of the Ministry of Fisheries
- 1st week August: Publication and dissemination of the finalised costed Operations Plan for implementation.

Contribution to the National Development Plan

Section 3.2.13 of the "5-Year & 20-Year National Development Plan" covers the fisheries sector. Pages 115 and 116 of that plan give the fishery programmes, targets, and expected outputs. Table 7 below gives those programmes/targets/ outputs and the associated contributions of the Ministry of Fisheries.

		AN	NUAL TARG	GET			
PROGRAMME	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	TOTAL OUTPUT EXPECT- ED	CONTRIBUTION FROM MINISTRY OF FISHERIES
Review of the Fisheries Act 1942		Re- view & consul- tation	Enact- ment			Amend- ed leg- islation	 Fisheries Act 1942 yet to be reviewed Aquaculture Bill presented to Parliament Inshore fisheries decree pending further consultation
National Fish- eries Policy	Stake consul- tation holder and draft	Finalize report				1 Re- port	 Stakeholder consultations were convened to complete work on the National Fisheries Policy and its Implementation Plan.
Inshore Fish- eries Manage- ment Policy		Stake- holder consul- tation				1 Policy Docu- ment	 Inshore Fisheries Policy & Framework: Discussion paper developed Data Sharing Policy developed. Developed the first ever Fiji National Compliance Strategy 2019-2023
Marine Spa- tial Planning for the EEZ by 2020		Draft MPA Frame- work Agreed	Consult Ex- ternal Part- ners	Con- sult on Draft Map	Final System MPA's agreed	MCS Training & Ga- zette of System	 MOU signed by Ministry of Fisheries and Fiji Fisheries Industries Association on the UN/FAO Electronic Monitoring System Project in September, 2017. Developed a draft MPA Policy/ framework (reference: IUCN pol- icy guidelines for large scale ma- rine managed areas)
Recreational Fisheries Policy				Con- sult & finalize Policy		1 Policy	No progress on this program during the fiscal year
Integrated Divisional Coastal Management Plan			Review/ consul- tation	Finalize Coastal Plans		4 Inte- grated Divi- sional Coastal Plans	 Editing of the Coastal Fisheries Policy Editing of the Coastal Fisheries Implementation Plan

Table 7: Ministry of Fisheries Contribution to the 5 & 20 Year National Development Plan

		AN	NUAL TARC	GET				
PROGRAMME	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	TOTAL OUTPUT EXPECT- ED	CONTRIBUTION FROM MINISTRY OF FISHERIES	
Finalize the National Aquaculture Strategy & 5 Year Develop- ment Plan	Finalize Strate- gic Plan					1 Aqua- culture Strategic Plan	 Continued work on the draft Fiji Aquaculture Strategic Plan 2015-2020 in collaboration with SPC. Developed a draft National Strategy on Aquatic Biosecurity in collaboration with SPC. Cabinet paper on the same prepared 	
Report on the Outlook of the Fiji Offshore Fish- eries Sector		Consult stake- holders, draft and finalize report				1 report	 Revitalized engagement with industry partners and hold 1st Offshore Fisheries Stakehold- ers Consultation in March 2018. Study Commissioned on the economic contribution of the tuna fisheries in the Pacific Is- lands (FFA). FFA conducted an In-country survey with offshore fisheries staff on fisheries related busi- nesses to promote the impor- tance of the fisheries sector. 	
Coastal Fisheries Commodity Assessment Report		Conduct 2 assess- ments				2 assess- ment reports	Part of the EPPS Business Plan Aug 2019/2020 (finfish and FAD's)	
Value Chain Analysis of Aquaculture Commodities		Conduct 2 assess- ments				2 assess- ment reports	Part of EPPS Business Plan Aug 2019/2020 (beche de mer & bar- ramumdi)	
Review the procedure for obtaining fishing licens- es and fees and charges		Con- duct re- view & finalise report with recom- menda- tions	Gazette revised fees			Revised proce- dures and fees and charges	Stakeholder consultations were conducted on access fees with proposed fee schedule. The issue is still under consideration.	
Review exist- ing fees and charges for aquaculture		Con- duct re- view & finalize report with recom- menda- tions	Gazette revised fees			Revised proce- dures and fees and charges	Still work in progress	

		AN	NUAL TARG	ET					
PROGRAMME	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	TOTAL OUTPUT EXPECTED	CONTRIBUTION FROM MINISTRY OF FISHERIES		
Coastal Fisheries Database	Revive and support data- base	Estab- lish sep- arate pro- gram support unit	Programme support			1 database 1 pro- gramme	Currently under consideration with assistance from NZ MFAT/NZ MPI		
Establishment of Coastal Fisheries Management Division		Set up unit				Establish- ment of new unit	With the assistance of NZ MFAT and MPI division has been established with 9 staff. A Policy Advisor and a Compliance Advisor have been provided through NZ/ MFAT to the Division to assist in inshore fisheries policy and inshore operations compliance.		
Coastal Fisheries Development Programme	Continuati	on of ongoi	ng program	me		1 pro- gramme	Coastal Fisheries Development continues under the Extension & Advisory Activity under Programme 2. The budget allocation for the Coastal Fisheries Development Capital Project for the period 2017 – 2019 was: <u>Aug 2018 – July 2019</u> Purchase of aluminium boat (\$225,000) Coastal Fisheries Development (\$772,380) Completion and Preparatory Works for Ice Plants at Wainigadru and Koro (\$1,823,877) Upgrading of Lekutu Fisheries Station to Rural Fisheries Service Centre (\$279,00) Construction of Wainibokasi staff quarters (\$733,000) <u>Aug 2019 – July 2020</u> Purchase of aluminium boat (\$225,000) Coastal fisheries development (\$772,380) Completion and preparatory works for ice plants (Wainigadru and Koro) (\$569,831) Construction of Wainibokasi staff quarters (\$300,000)		
Strategic Placement & Establishment of new RFSC		Identi- fication of Stra- tegic lo- cations			1 pro- gramme	Rotuma Fisheries Stations & lce Plant – established and operational; Moala Fisheries Station & Ice Plant – established and operational; Cicia Fisheries Station & Ice Plant – established and operational; Gau Fisheries Station & Ice Plant – established and operational; Preparatory Works for Wainigadru, Cakaudrove and Koro Ice Plant – currently in progress; Upgrading of Lekutu Fisheries Station to Rural Fisheries Service Centre – currently in progress; establishment & construction of Wainibokasi Staff quarters			

		AN	NUAL TAR	GET					
PROGRAMME	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	TOTAL OUTPUT EXPECTED	CONTRIBUTION FROM MINISTRY OF FISHERIES		
R&D into Value Addition Potential & Niche Market Discovery		Desk- top report with wide stake- holder consul- tation	R & D			1 report and policy	 Export Prices and Market Analysis fo Selected Fishery Commodities in Fij in April – May 2017 IFC, Australian Aid, MITT and MOA Study of Fresh Produce Demand from Fiji's Hotels & Resorts published in July 2018. Total local and import demand from Fiji's hotels & resorts for seafood is FJD\$17.29 million comprising o \$11.19 million of local demand and \$6.10 million import demand. R&D in value of addition of shrimp production & processing and niche market potential discovery currently being undertaken with Infofish 		
Aquaculture Development Programme	Continue	e programr	ne			1 pro- gramme	 Aquaculture is a Division of the Ministry under Programme 2. Budget allocation for the 2017- 2019 period as follows: <u>Aug 2018 – July 2019 - \$3,517,946:</u> Of which the following were capital projects Freshwater Aquaculture Develop ment (\$350,000) Seaweed Development (\$259,225) Establishment of a Multi Specier Hatchery (Ra) (\$783,769) Food Security Program - Freshwate Aquaculture Farmers (\$300,000) Assistance to Commercial Shrimg Aquaculture Farmers (\$500,000) Aug 2019 – July 2020 - \$3,279, 951 Of which the following were capital projects Freshwater Aquaculture Develop ment (\$400,000) Seaweed Development (\$259,225) Establishment of a Multi Specier Hatchery (Ra) (\$533,769) Food Security Program - Freshwate Aquaculture Farmers (\$300,000) Aug 2019 – July 2020 - \$3,279, 951 Of which the following were capital projects Freshwater Aquaculture Develop ment (\$400,000) Seaweed Development (\$259,225) Establishment of a Multi Specier Hatchery (Ra) (\$533,769) Food Security Program - Freshwate Aquaculture Farmers (\$300,000) Assistance to Commercial Shrimg Aquaculture Farmers (\$300,000) 		
Brackishwater Development Programme	Continue	e programr	ne			1 pro- gramme	Continuation of the Brackishwater Programme under the Aquaculture Division as brackishwater capital project for the 2017 – 2019 period as follows: <u>Aug 2018 – July 2019</u> 1. Brackishwater Development (\$380,000) <u>Aug 2019 – July 2020</u> Brackishwater Development (\$380,000) A proposal was formulated for a public and private sector partnership for Galoa & Dreketi stations to boost shrimp hatchery and farm production to 700 tons per annum compiled and completed.		

Key Performance Indicators (this is another table from the Fisheries Section of the "5-Year & 20-Year National Development Plan")

Indicator	2016	2017	2018	2019	2020	2021
Number of new MPAs gazetted (SDG 14.2)	3	3	3	3	3	3
Establish MPAs targeting 30% of Fiji's marine areas (%) (SDG 14.2)	1.8					30

The contribution of the Ministry of Fisheries to the above Sustainable Development Goals goals can be summarised as:

With Fiji's exclusive economic zone and total internal waters totaling an area of 1,301,250 square kilometers10, the national commitment of placing 30% of Fijis inshore and offshore marine areas under a comprehensive network of marine protected areas (MPAs) by 2020 equates to a total sea area of 390,375 square kilometres. The progress attained by the Ministry of Fisheries towards the 30% SIDS commitments includes the promulgation of the following regulations:

• The Fisheries (Shark Reef Marine Reserve) Serua Regulations 2014 totaling a sea area of two square kilometres.

- The Fisheries (Wakaya Marine Reserve) Regulations 2015 totaling a sea area of 17.8 square kilometres.
- The Kiuva Marine Reserve Regulations 2017 totaling a sea area of 7.285 square kilometres.
- Naiqoro Spawning Aggregation Marine Reserve with a total sea of 4.830 square kilometers

The Ministry's contribution to our national commitment was .008% in the 2017 – 2019 period. In addition, the WCS-promoted Vatu-i-Ra Seascape initiative covers another 1.8%.

Therefore, of the 30% commitment, 28% remains to be achieved by 2021.



Image (d): Ministry staff checking the size of crabs in the market

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10 https://en.wikipedia.org/wiki/Exclusive_economic_zone

Service Delivery Performance Compared with Targets





Of the 38 Outcomes identified under the Strategic Framework for Change – Roadmap for Change – Roadmap for Sustainable Economic & Empowerment Development Strategy, the Ministry Outputs are aligned to 8 Targeted Outcomes & 11 core Ministry Outputs

OUTCOME: 6 PUBLIC SECTOR REFORM

OUTPUT: 1 Portfolio Leadership, Policy Advice, Financial Services & Secretariat Support

67% of the 89 targeted KPIs was achieved under output 1 in our efforts to improve public sector efficiency and effectiveness and improve service delivery.

- 2 Capital Projects, 2 Fisheries Project, 1 Offshore Fisheries licensing and 1 Border Agencies Maritime Security committee meeting undertaken.
- 1 Cabinet Memorandum MOU between Ministry of Marine Affairs and Fisheries of the Republic of Indonesia and the Ministry of Fisheries of the Republic of Fiji, Feb – March 2019
- 1 Fisheries Food Security paper, 1 Brief on Inshore Fisheries License, 1 Policy Issue Brief on Review of Fees & Charges for Ice & Economic CBA, 1 Draft MOF internal policy framework on single use of plastic bags, Styrofoam boxes, bottled water and straws and 1 Statistical brief on the Offshore Transshipment Levy prepared for the PSF & Hon. MoF
- 1 National Inshore Fisheries Management Policy & Framework, 1 Inshore Fisheries Research Strategy & Priorities,1 Inshore Fisheries Data Sharing Policy and 1 inshore fisheries operational compliance strategy completed

OUTCOME: 14 INTERNATIONAL RELATIONS AND EXTERNAL TRADE

OUTPUT: 1O Strengthen Global, Regional and National Partnerships

46% of the 4 targeted KPIs was achieved under output 10 to enhance global integration and international relations in fisheries through partnerships. 6 memorandum of Understanding was drafted, developed, signed & implemented with partners:

- MOU for aerial surveillance MoF/ Fiji Navy and FRCS (Drafted)
- MOU between Fiji Hotel and Tourism Authority and MoF (Signed March 2019)
- MOU between Indonesia and MoF (tabled in Cabinet in April 2019)
- MOU between Housing & Environment and MoF (Cleared by SGO in October 2019)
- MOU between the Ministry of Agriculture & Rural Affairs, Peoples Republic of China and MoF (Signed
- By Hon. MoF in November 2018)
- 1 existing MOU was to be further implemented Fiji -Thailand Joint Fisheries Working Group.

OUTCOME: 19 FISHERIES RESOURCES

OUTPUT: 2 Research and Development

57% of the 4 targeted KPIs was achieved under output 2 on the road to sustainable inshore, offshore & aquaculture fisheries management and development & marine resource conservation through enhanced resource assessment and management.

- 3 iQoliqoli Marine & freshwater surveyed
- Qoliqoli Namuka and Dogotuki, Macuata o Kiuva Marine Reserve o Kuata survey, Yasawa
- 1 Management plan drafted for Qoliqoli Namuka and Dogotuki, Macuata.
- 8 Fisheries Impact Assessment undertaken

OUTPUT: 6 Fisheries Law Enforcement – Licensing, Compliance and Monitoring

72% of the 36 targeted KPIs was achieved under output 6 to strengthen maritime surveillance systems and patrols to eliminate illegal fishing and human trafficking & enhance international trade & foreign relations.

- 57 Long-line, 8 Exploratory and 1324 Inshore Fishing licenses issued.
- 182 national and 22 regional observer placements, 85 port samplings, 138 landings and 9 transshipments at sea monitored.
- 38 sea and 86 land patrols undertaken for inshore MCS.
- 1 new aluminum boat purchased for boosting Western Division MCS.
- 234 Import and Export Inspection was carried out.

OUTPUT: 7 Sustainable Trade Environment

68% of the 19 targeted KPIs was achieved under output 7 in our determinations to pursue growth, reducing trade deficits and increasing foreign investment into the fisheries sector.

- 6,607.4 metric tons fish was exported at an estimated Value \$2, 78, 47,890.80 (provisional figure reported by Offshore Fisheries).
- 1,234 Exports Permits were issued.
- 623 Import Permits were issued.
- 4 solar freezers was supplied to registered & licensed fishermen association.
- 5 Fishermen Associations was registered with 12 consultations and meetings carried out within the 4 divisions

OUTPUT: 9 Value adding and Downstream Processing

30% of the 5 targeted KPIs was achieved under output 9 in our efforts to increase new fisheries value adding processing investment.

- 4 Fish Farmer, 2 Small Engines Principles, 1 Financial Literary Money Management, 7 Training on Post-Harvest & Fish Handling, 1 Deepwater Fishing Technique, 9 Fish Warden, 1 Compliance training for Ministry of Fisheries Compliance Staff and 4 Awareness & Training for Fishermen Associations was undertaken.
- 98 Fisheries staff deployed to attend training in areas of specialization and 197 Fisheries staff deployed to attend CSMRU trainings or other generic training

80% of the 5 targeted KPIs was achieved under output ${\it \Delta}$

 1 Celebration of World Fisheries Day , 12 Fisheries participation in National Government Awareness Programs, 425 inter-agency training/awareness programs/meetings attended by Fisheries officers/ representatives

OUTCOME: 26 POVERTY REDUCTION

OUTPUT: 5 Food Security and Income Generation

80% of the 40 targeted KPIs was achieved under output 5 in the direction of reducing poverty to a negligible level through increasing resource owner's participation, business ownership and access to fisheries resources.

- 683,435 tilapia fry's, 285,080 prawn, 508,200 shrimp post larvae and 93,307 sandfish juveniles produced and distributed from our hatcheries.
- 23 recipients of the Food Security program assisted.
- 2123.65mt of Ice produced and supplied.
- 20 Fish Aggregation devices deployed across the 4 divisions.
- Construction of new fisheries office & amenities at Cicia & Moala (opened in January 2019)

OUTCOME: 29 EDUCATION AND TRAINING

OUTPUT: 3 & 4 Education and Training Public Awareness and Promotions

78% of the 15 targeted KPIs was achieved under output 3

- 4 Fish Farmer, 2 Small Engines Principles, 1 Financial Literary Money Management, 7 Training on Post-Harvest & Fish Handling, 1 Deepwater Fishing Technique, 9 Fish Warden, 1 Compliance training for Ministry of Fisheries Compliance Staff and 4 Awareness & Training for Fishermen Associations was undertaken.
- 98 Fisheries staff deployed to attend training in areas of specialization and 197 Fisheries staff deployed to attend CSMRU trainings or other generic training

80% of the 5 targeted KPIs was achieved under output 4

 1 Celebration of World Fisheries Day , 12 Fisheries participation in National Government Awareness Programs, 425 inter-agency training/awareness programs/meetings attended by Fisheries officers/ representatives

OUTCOME: 31 GENDER EQUALITY

OUTPUT: 11 Promote Gender Equality and Women in Development

42% of the 12 targeted KPIs was achieved under output 11

- 1 EPP&S Inventory of Planning Staffing Aug 2018 -Mar 2019
- Women in boards and committees (at least 30%)
 - Fisheries Projects Committee Members and applicants 3
 - Offshore Fisheries Licensing Committee OFD 2
 - Events Committee CSD 4
 - MOF Stats Committee 7
 - Capital Projects Committee 5

OUTCOME: 36 DISASTER RISK REDUCTION AND DISASTER MANAGEMENT

OUTPUT: 8 Climate Change Adaptation, Mitigation and Resilience

43% of the 11 targeted KPIs was achieved under output 8 $\,$

- 5 Biological monitoring of existing inshore marine protected area's undertaken
- Launching of the Gazetted MPA for Naiqoro Passage, Nakasaleka, Kadavu by Hon. MoF in November 2018.
- Establishment of the new MPA in Vadra and Nuku in Moala in April 2019 and in Naroi in March 2019
- 4 Stakeholder consultations conducted for new MPA's establishment
- 1 Enforcement of the 2019 Seasonal Closure for Groupers and Trout to protect critical spawning aggregations during the main spawning season between Junes through September 2018
- 8835 mangrove seedlings planted and 6 new mangrove planting sites established.
- 1 MoF Priorities for Adaptation finalized to MoE Climate Change Division

External Partnerships and Associated Activities

The Ministry of Fisheries cooperated with several NGOs, regional organisations, and other external agencies during the year. The major groups and the work done with the Ministry in FY2018/2019 were:

The Wildlife Conservation Society (WCS) has cooperated during the year with the Ministry of Fisheries on several initiatives. The main ones included work on marine managed areas, size limits, the use of "spawning potential ratios" to assess the health of fish stocks, enforcement of fisheries legislation including support for two fish warden forums, formulation of draft management plans (mud crab, giant clam), a value chain analysis of the grouper fishery, preparation draft a monitoring strategy to collect data from key municipal markets, and training in fish identification.

The International Union for Conservation of Nature (IUCN) has on-going collaboration with the Ministry of Fisheries. Currently, one of the main areas of cooperation is through participation in the Ministry's Marine Protected Area Technical Advisory Committee of the Offshore Decree 2012. That committee guides and directs the implementation of Fiji's 30% MPA commitment through a ten-step process. In FY2018/19 IUCN provided support in implementing steps 5, 6 and 7.

cChange supported the Ministry of Fisheries with strategic communication capacity and training, including targeted activities in support of its four-month seasonal ban on grouper (outreach tools for the ban, national outreach activities). It also coordinated a private sector outreach program with the Ministry of Fisheries visiting sellers nationwide, and assisting with compliance and enforcement training for the ban. In addition, cChange has supported the development of a national campaign strategy built around the updated minimum fish size research and created outreach tools to support those efforts.

World Wide Fund for Nature (WWF) has cooperated with the Ministry in FY2018/2019 in three main ways:

 Collaboration on the project "Developing Sustainable and Responsible Tuna Longline Fisheries in Fiji". The overall goal of the project is to enhance economic returns by improving the sustainability of tuna fisheries within and beyond the EEZ of Fiji.

- Collation of Great Sea reef information on turtle nesting sites and data to assist with the review of the National Turtle Recovery Plan
- Development of the fisheries components of the management plan for the traditional fishing area "Qoliqoli Cokovata". This area encompasses four districts, Dreketi, Macuata, Sasa and Mali, which collectively retain custodial ownership over fishing grounds for a large section of the Great Sea Reef, the third longest reef system in the world.

Other NGOs that have actively cooperated with the Ministry in 2018/2019 include Conservation International, the Environmental Law Association, and the Mamanuca Environment Society.

The Fisheries, Aquaculture and Marine Ecosystems (FAME) of the Pacific Community provided many types of assistance to the Ministry in FY2018/2019, covering the broad areas of data collection, data management, analysis and advisory support for evidence-based fisheries management, sustainable development of aquaculture and alternative livelihoods, access to fisheries information and capacity development. Specific examples of this assistance are support to consultations for the management of several fishery resources, communitybased and commercial aquaculture operations, disease detection in aquaculture species, electronic monitoring of fishing operations, gender analyses of fisheries, and deploying FADs. FAME has provided numerous types of training during the year, with examples being fishery compliance, tuna data management, fishery policies/ plans, aquatic biosecurity, feed/seed/broodstock management, financial literacy, and cost/benefit analysis related to fisheries.

The Forum Fisheries Agency (FFA) assistance to the Ministry is focused on the offshore fisheries and the associated post-harvest activities. The main assistance to the Ministry in FY2018/2019 was in the broad areas of:

 Support to Fiji's competent authority¹¹ for seafood safety. This has included training for competent authority officers and a review of the competent authority.

11 The "competent authority" is Fiji's legally mandated agency for fishery product food safety, which is located within the Ministry of Health.

- Information management: e.g. the development of a national fisheries information management system.
- Monitoring, control and surveillance: e.g. the facilitation of participation in Operation Kurukure and Operation Tui Moana.
- Fisheries development: e.g. economic analysis of the contribution of longline sector to Fiji's GDP and impact of transshipment fee.
- Fisheries management: e.g. sponsorship of participation in the fisheries policy and management plan workshop.

The Food and Agriculture Organization of the United Nations (FAO) has carried out a number of regional and global fisheries-related initiatives in FY2018/2019 that have directly involved the Ministry. These have included efforts to promote small-scale tuna fishing (fish aggregation devices, fisher associations, value adding, sea safety), development of a business case for the electronic monitoring of the Fijian tuna longline fleet, the identification of activities for the Ministry in support of the Port State Measures Agreement, strengthening capacity of the Ministry to monitor the four fisheries-related indicators under Goal 14 of the Sustainable Development Goals, and raising awareness of the Green Climate Fund and the vulnerability to climate change of Pacific fisheries and aquaculture. **The major bi-lateral donors** to the Ministry of Fisheries during the year included:

The New Zealand Aid Programme sponsored two technical advisors who commenced work in February 2018. They were embedded within the Ministry to support the establishment and the development of the new Inshore Fisheries Management Division. The Corporate and Policy Advisor focused on the structure of the division, internal planning, budget preparation, and staffing. The Inshore Fisheries Compliance Advisor worked to improve compliance with coastal fisheries rules and regulations, with a particular focus on compliance policy, process and capability development.

The Japan International Cooperation Agency (JICA) provided assistance in aquaculture, scholarships, and training in various technical areas.

The Overseas Fisheries Cooperation Foundation of Japan (OFCF) provided ice-plant equipment, computers, vehicles, and training.

The Korea International Cooperation Agency (KOICA) provided ice-plant equipment, computers, and scholarships.

Australia's Department of Foreign Affairs and Trade (DFAT) provided scholarships.



Financial Information

Procurement

For the annual reports of ministries, there is a Ministry of Economy requirement for three types of information on procurement: (1) members of agency tender board, (2) results of tenders, and (3) exemptions from competitive procurement.

The Ministry of Fisheries does not currently have an agency tender board. Following from the Audit Report, the Ministry is in the process of setting up such a board.

The results of the approved tenders are given in Table ##. One request to the Ministry of Economy was not approved: the upgrading of the headquarters executive office. There were no exemptions from competitive procurement.

Table 8: Results of Approved Tenders

Project	Budget	Approved Tender Amounts
Upgrading of fisheries institutional buildings	400,000	178,000
Purchase of aluminium boat	225,000	225,000
Purchase of new ice machines	450,000	450,000
Total	1,075,000	853,000

Response to Queries on Initial Financial Statement

Final Audited Financial Statement

Note: The timing for the above is dependent on events beyond Ministry control. Dan Naulu writes: "In terms of the Financial Statement, we are now working on the Closing of Accounts for 2018/2019, which is due in October and will await the auditors inspections of our report before we can comment any further."

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Promoting Public Sector Accountability and Sustainability through our Audits



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

Telephone: (679) 330 9032 E-mail: info@auditorgeneral.gov.fj Website: http://www.oag.gov.fj



File Ref: 436

23 March 2021

The Honorable Semi Koroilavesau Minister for Fisheries Ministry of Fisheries Level 1 - Takayawa Building Toorak Road **SUVA**

MINISTRY OF FISHERIES

AUDITED FINANCIAL STATEMENTS - 31 JULY 2019

Audited financial statements for the Ministry of Fisheries for the year ended 31 July 2019 together with my audit report on them are enclosed.

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

Yours sincerely

Ajay Nand AUDITOR-GENERAL

cc Permanent Secretary for Fisheries

Encl.

MINISTRY OF FISHERIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

MINISTRY OF FISHERIES • ANNUAL REPORT 2018 - 2019 | 33

MINISTRY OF FISHERIES FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

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INDEPENDENT AUDITOR'S REPORT

To the Minister for Fisheries

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Ministry of Fisheries ("the *Ministry*") which comprises the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses, and Trust Fund Account Statement of Receipts and Payments for the financial year ended 31 July 2019, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters discussed in the Basis for Qualified Opinion paragraphs, the accompanying financial statements of the Ministry are prepared, in all material respects, in accordance with the Financial Management Act 2004 and Finance Instructions 2010.

Basis for Qualified Opinion

Operating Fund Account

- 1. The Ministry recorded total expenditure of \$16,474,370 in the Statement of Receipts and Expenditure for the year ended 31 July 2019. The Ministry was unable to provide me with payment and journal vouchers and supporting documents to substantiate expenditures totaling \$1,198,854. As a result, I was unable to substantiate occurrence and the accuracy of the balance and also unable to determine whether any adjustments might have been necessary at the end of the financial year.
- There is an unreconciled variance of \$2,359,689 between the FMIS general ledger and the Payroll Report for both Established Staff and Government Wage Earners. Consequently, I was unable to establish the accuracy of the Established Staff Government and Wage Earners balances recorded in the Statement of Receipts and Expenditure for the year ended 31 July 2019.

Trust Fund Account

3. The Ministry did not maintain a detailed listing of beneficiaries of the Trust Fund Account. Consequently, I was not able to substantiate the completeness of the closing balance of \$261,684 reflected in the Statement of Receipts and Payments of the Trust Fund Account.

I have 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 the Ministry 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 my 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.

Emphasis of Matter

I draw attention to Note 5 of the Financial Statements which states that the general ledger for the Trust Fund Account is reflected under Head 32 - Ministry of Forests. The Ministry of Fisheries has recorded a Trust Fund Account closing balance of \$261,684 as at 31/07/2019.

Other Matter

Non-compliance with the requirements of the Finance Manual in relation to procurement of goods and services, expenditure charged to incorrect allocations, reconciliation of accounts and delayed banking of revenue have recurred despite the recommendations to improve. These internal control weaknesses, if not addressed promptly, may result in material misstatements and possible financial losses in the future.

Responsibilities of the management and those charged with governance for financial statements

The management are responsible for the preparation of the financial statements in accordance with the Financial Management Act, Finance Instructions 2010 and the Finance (Amendment) Instructions 2016, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Ministry'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 or 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.

As part of an audit in accordance with ISA, I exercise professional judgement 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 the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of Ministry.

I communicate with those charged with governance 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.

Ajay Nand AUDITOR-GENERAL



Suva, Fiji 23 March 2021

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MINISTRY OF FISHERIES MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 JULY 2019

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Fisheries for the financial year ended 31 July 2019; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004 and Finance Instructions 2010.

Pene Baleinabuli Acting Permanent Secretary

21 Date:

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Taniela Naulu Principal Accounts Officer

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MINISTRY OF FISHERIES STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR ENDED 31 JULY 2019

RECEIPTS	Notes	2019 (\$)	2018 (\$)
State Revenue Vessel Registration Fishing Licence Sale of Fish & Ice Offshore Fisheries Management Fees Offshore Fisheries Access Fees Offshore Fisheries Application Fees Offshore Fisheries Fees Offshore Fisheries Related Activity Fees Offshore Fisheries Miscellaneous Fees Offshore Fisheries Permitting Fees		22,278 8,360 678,045 528,945 345,928 29,893 133,641 98,021 19,467 155,032	19,468 9,471 266,028 732,668 538,513 52,339 178,689 110,024 15,905 172,604
Offshore Fisheries Authorisation to Charter Fees		1,558	194
Offshore Fisheries Record Fees Total State Revenue	3 (a)	134,156 2,155,324	37,734 2,133,637
Agency Revenue			
Miscellaneous Revenue Total Agency Revenue	3 (b)	60,906 60,906	<u>63,442</u> 63,442
Total Agency Revenue	5 (0)		
TOTAL RECEIPTS		2,216,230	2,197,079
EXPENDITURE			
Operating Expenditure Established Staff Government Wage Earners Travel & Communications Maintenance & Operations	3 (c) 3 (c) 3 (d) 3 (e)	5,827,601 1,631,279 611,443 2,305,951	4,902,846 1,601,727 494,771 1,642,482
Purchase of Goods & Services	3 (f)	281,537	231,778
Operating Grants & Transfers		9,749	9,501
Special Expenditure	3 (g)	344,569	230,047
Total Operating Expenditure		11,012,129	9,113,152
Capital Expenditure		4 500 000	4 750 000
Capital Construction Capital Purchases		4,529,622 410,077	4,756,332 653,185
Total Capital Expenditure	3 (h)	4,939,699	5,409,517
Value Added Tax		522,542	611,628
TOTAL EXPENDITURE		16,474,370	15,134,297

MINISTY OF FISHERIES APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 JULY 2019

SEG	Item Operating Expenditure	Budget Estimate (\$)	Appropriation Changes (\$) (Note 4)	Revised Estimate (\$) a	Actual Expenditure (\$) b	Lapsed Appropriation (\$) (a-b)
1	Established Staff	6,036,126	(127,430)	5,908,696	5,827,601	81,095
2	Government Wage Earners	1,587,618	127,430	1,715,048	1,631,279	83,769
3	Travel & Communications	638,600	-	638,600	611,443	27,157
4	Maintenance & Operations	2,372,040		2,372,040	2,305,951	66,089
5	Purchase of Goods & Services	313,114	-	313,114	281,537	31,577
6	Operating Grants & Transfers	10,000	-	10,000	9,749	251
7	Special Expenditure	359,773	-	359,773	344,569	15,204
	Total Operating Expenditure	11,317,271	-	11,317,271	11,012,129	305,142
	Capital Expenditure					
8	Capital Construction	7,476,451	-	7,476,451	4,529,622	2,946,829
9	Capital Purchases	675,000	-	675,000	410,077	264,923
	Total Capital Expenditure	8,151,451	-	8,151,451	4,939,699	3,211,752
	Value Added Tax	1,065,100		1,065,100	522,542	542,558
13	TOTAL EXPENDITURE	20,533,822	-	20,533,822	16,474,370	4,059,452

MINISTRY OF FISHERIES STATEMENT OF LOSSES FOR THE YEAR ENDED 31 JULY 2019

Loss of Money

There was no loss of money recorded for the financial year ended 31 July 2019.

Loss of Revenue

There was a loss of revenue of \$9,746 recorded for the financial year ended 31 July 2019.

An incident occurred at the Rakiraki Fisheries Station which resulted in the loss of revenue of \$9,746. The Ministry after its investigation has terminated the officer and referred the case to Fiji Independent Commission against Corruption (FICAC).

Loss of Assets (other than money)

Following the 2018 – 2019 Board of Survey, items worth \$558,897 were written off as approved by the Permanent Secretary of Economy.

Asset	2019
	(\$)
Motor vehicles, Outboard motor vessels and Engines	517,000
Office Equipment	4,083
Furniture and Fittings	37,814
Total	558,897

MINISTRY OF FISHERIES TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS & PAYMENTS FOR THE YEAR ENDED 31 JULY 2019

RECEIPTS	Note	2019 (\$)	2018 (\$)
One - third Subsidy Contribution		-	72,439
Total Receipts		-	72,439
PAYMENTS Retention Money Bank Fees Charges Total Payments		-	850
Total Payments			850
Net Surplus/Deficit		-	71,589
Opening Balance as at 1 August 2018 Closing Balance as at 31 July 2019	5	261,684 261,684	190,095 261,684

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MINISTRY OF FISHERIES NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

NOTE 1 REPORTING ENTITY

The Ministry of Fisheries is a regulatory and service organisation responsible for the national fisheries management through the following functions:

- Formulate, align, review and implement policies, strategies, plans, programmes and projects;
- Provide and administer the regulatory function under the respective Departments legislation and regulations;
- Monitor and evaluate the current strategies, policies and deliverables;
- Develop and promote effective training, communication and awareness and extension advisory services;
- Strengthen community and industry networks and support infrastructure;
- Maintain international bilateral and multilateral commitments; and
- Undertake applied research for sustainable fisheries resource management practices and product development.

NOTE 2 STATEMENT OF ACCOUNTING POLICIES

a) Basis of Accounting

In accordance with Government accounting policies, the financial statements of the Ministry of Fisheries is prepared under the cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the requirements of Section 71(1) of the Finance Instructions 2010 and Financial Management Act 2004. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current government policies.

b) Accounting for Value Added Tax (VAT)

All expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditures relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Service (FRCS). Actual amount paid to FRCS during the year represents the difference between VAT Output and VAT Input.

c) Comparative Figure

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

MINISTRY OF FISHERIES NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2019

d) Revenue Recognition

Revenue is recognised when the actual cash is received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

- a) There is an increase in state revenue by \$21,687 or 1% due to increase in monitoring, enforcement surveillance activities and an increase in ice sales which is part of the Ministry's core services.
- b) A reduction recorded in miscellaneous revenue by \$2,536 or 4% due to the strict monitoring by the enforcement division which resulted in the reduction in cases of confiscation. In addition, the reduction was also due to the CITES fees collected by the Ministry of Environment.
- c) There were an increase in expenditures for SEG 1 and SEG 2 by \$954,307 or 14% due to the payment of increments to relevant officers after the annual performance assessment.
- d) Travel and communication expenditure increased by \$116,672 or 24% due to an increase in meal allowances from \$9 to \$20 and the increase in travel.
- e) Maintenance and operation expenditure increased by \$663,469 or 40% due to increased power needs for the ice plants and hatcheries to run water pumps and aeration pumps for fish ponds, and increase in fuel costs for vehicles and vessels.
- f) Purchases of goods and services expenditure increased by \$49,759 or 21% due to the procurement of personal protection equipment for ice plant attendants, divers and field officers.
- g) Special expenditure increased by \$114,522 or 50% due to the set-up of the new Inshore Fisheries Management Division.
- h) Total Capital expenditure decreased by \$469,818 or 9% due to the completion of major construction projects such as Rotuma and Gau Ice plants in 2019.
- i) The savings of \$2,946,829 in capital expenditure was mainly due to the slow progression of the construction projects for Moala & Cicia, Wainibokasi Staff Quarters and Caboni, Ra Multihatchery Species. The slow progress was due to inconsistent boat schedules for maritime islands for technical inspections by construction stages. The Wainibokasi Staff Quarters did not eventuate due to some tender issues and the project site was still to be registered by the Ministry of Lands, which was completed later in the FY 2019/2020. Moreover, the establishment of the Multi-hatchery species was a CIU managed project in terms of the progress of the structural engineering aspect, as the Ministry awaits the payment certificates from CIU in order to proceed with the applications for the project funds under Requisition to Incur Expenditure.

MINISTRY OF FISHERIES NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2019

NOTE 4: DETAILS OF APPROPRIATION

The Permanent Secretary for Economy approved the following transfer of funds during the financial year ended 31 July 2019.

DV No.	From	То	Amount (\$)
V31001/18-19	SEG 1	SEG 1	267,704
		SEG 2	127,429
V31002/18-19	SEG 1	SEG 1	3
		SEG 2	1

NOTE 5: Trust Fund Account

The True Trust Account had been shared under the then Head 32 - Ministry of Fisheries and Forests prior to 01/08/2017, when the Ministry of Fisheries was separated to be an agency on its own. The True Trust Account was originally used for the fisheries 1/3 & 2/3 subsidy scheme since 2004. The subsidy scheme has since lapsed and the Ministry of Fisheries & Forests continued to maintain the bank account since, to transact Performance Bonds and Retention Monies for most of its construction projects, as per contractual agreements between the Ministry and the contractors.

The True Trust general ledger is still under Head 32 [Ministry of Forests] and we have liaised with FMIS on the transfer of this account to Head 31 [Ministry of Fisheries], but there has not been any firm decision on this. We have liaised with the bank on the re-opening of the account as it has been dormant for over 3 years, and were referred to the Ministry of Economy to give approval for the online banking accesses but there has been no feedbacks on this aspect and no further development on the status of this account to date, hence the inability to provide the details of receipts and payments. We have since been released with the Certificates of Balance for the last 2 years.

Further, the monthly reconciliations was carried out by the Ministry with the assistance provided by FMIS in providing the general ledger details since the Ministry does not have access to Head 32 general ledger accounts, but was later instructed by the Ministry of Economy for the Ministry of Forests to take over this responsibility.

Abbreviations Used in this Report

DFAT	Department of Foreign Affairs and Trade of Australia
EEZ	Exclusive economic zone
EPPS	Economic Policy and Planning Section (now known as the Planning and IT Division)
FA	Fisheries assistant
FAME	Fisheries, Aquaculture and Marine Ecosystems of the Pacific Community
FAO	Food and Agriculture Organization of the United Nations
FFA	Forum Fisheries Agency
FTO	Fisheries technical officer
GDP	Gross domestic product
HS	Harmonized Commodity Description and Coding System
IFC	International Finance Corporation
IT	Information technology
IUCN	International Union for the Conservation of Nature
JICA	Japan International Cooperation Agency
KOICA	Korea International Cooperation Agency
MFAT	Ministry of Foreign Affairs and Trade of New Zealand
MITT	The Ministry of Industry Trade and Tourism
MOA	Ministry of Agriculture
MOU	Memo of understanding
MPA	Marine protected area
NDP	National Development Plan
NGO	Non-government organisation
OFCF	Overseas Fisheries Cooperation Foundation of Japan
OFMD	Offshore Fisheries Management Division
PFO	Principal fisheries officer
SDG	Sustainable Development Goal
SFO	Senior fisheries officer
SG	Solicitor General
SNA	System of National Accounts
SPC	Pacific Community
UN	United Nations
WCS	Wildlife Conservation Society
WWF	World Wide Fund for Nature

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Level 1 Takayawa Building, 360 Toorak Road, PO Box 13026, Suva, Fiji Islands P: (679) 330 1611 | M: (679) 990 6282 | F: (679) 331 6120