



## **STANDING COMMITTEE ON ECONOMIC AFFAIRS**

### **Review of Ministry of Industry, Trade and Tourism 2015 Annual Report**



**Parliamentary Paper No.100 of 2019**

August, 2019

Published and Printed by the Department of Legislature, Parliament House, SUVA.



## Table of Contents

<b>Chairperson's Foreword.....</b>	<b>3</b>
<b>1.0 Introduction.....</b>	<b>4</b>
1.1 Background.....	4
1.2 Committee Remit and Composition.....	4
<b>2.0 Findings and Recommendations .....</b>	<b>5</b>
<b>3.0 Gender Analysis.....</b>	<b>7</b>
<b>4.0 Conclusion .....</b>	<b>9</b>



## Chairperson's Foreword

The Standing Committee on Economic Affairs is pleased to report to Parliament, its findings and recommendations on the Ministry of Industry Trade and Tourism 2015 Annual Report.

2015 was a year of remarkable achievements for the ministry. It marked the launch of the Fijian Trade Policy Framework 2015-2025 which provides a long-term strategic policy guidance and direction in achieving the Fijian Government's trade and investment aspirations. It was also the year in which the Ministry implemented the Micro and Small Business Grant (MSBG) that aims to support the development of Micro, Small and Medium Enterprises (MSME) to help improve the living standards of all Fijians. Out of the 25,789 applications that were received and assessed by the Ministry and Fiji Development Bank, 7,744 micro and small businesses were assisted. Furthermore, MITT also continued its support towards local businesses through the successful implementation of the Fijian Made- Buy Fijian campaign in which 321 companies were issued licenses and 1,551 local products were granted approval to use the emblems.

The Committee noted the various projects and assistance schemes within the Ministry including the National Export Strategy and MSBG (Micro Small Business Grant) and also appreciates the Ministry's support towards uplifting of Micro and Small businesses during their teething period. Further to this, the role of Cooperatives was also commended for uplifting the standards of living and economic participation of our rural communities.

The Committee further appreciates the Ministry's National Export Strategy (NES) to sustain economic growth, through export, competitiveness, value addition and diversification. NES funding is targeted at six prioritized sectors that are Forestry, Fisheries, Agro-Business, Mineral Water, Audio Visual and Information and Communication Technology. The Committee was pleased to note that Micro Small and Medium exporters were given special attention to enable them to utilize these funds.

Finally, I would like to thank our Committee Members who were part of the team that produced this report: - Deputy Chair Hon. Veena Bhatnagar, Hon. George Vegenathan, Hon. Filipe Tuisawau and Hon. Inosi Kuridrani. I also take this opportunity to acknowledge and thank the Parliamentary Staff Komal Khushboo, and Lia Korodrau who have given us invaluable support.

On behalf of the Standing Committee on Economic Affairs, I commend the Ministry of Industry, Trade and Tourism 2015 Annual report to Parliament.

.....  
  
Chairperson – Hon. Vijay Nath



## **1.0 Introduction**

### **1.1 Background**

The Ministry of Industry, Trade and Tourism (MITT) formulates and implements policies and strategies that would facilitate growth in industry development, trade, co-operative business, micro and small enterprise, standards and consumer protection.

MITT plays a pivotal role towards Fiji's economic growth and have designated departments looking into specific activities. These departments are as follows, The Economic Unit, Trade Unit, Tourism Unit, Department of National Trade and Measurement and Standards, Department of Co-operative Business and Corporate Services Division. The Ministry also has Trade Commissions in Taiwan, Los Angeles, Shanghai and Papua New Guinea.

MITT has seven statutory responsibilities under it, namely, Consumer Council of Fiji, Fiji Commerce Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Licensing Board and National Centre for Small and Micro Enterprise Development.

### **1.2 Committee Remit and Composition**

The Committee is made up of five (5) Members of Parliament, three (3) of which are Government members and two Opposition members. According to Section 109(2)(a) the Standing Committee is responsible to look into matters related to economic development, finance, banking and taxation.





## **2.0 Findings and Recommendations**

1. The Committee noted the various projects and assistance schemes within the Ministry including the National Export Strategy and MSBG (Micro Small Business Grant). The Committee recommends that MITT develop a robust IT based system to strengthen the Monitoring and Evaluation (M&E) process.
2. The Committee also appreciates the Ministry's support towards uplifting of Micro and Small businesses during their teething period and recommends the continuation of business incubation within the MSBG Programme.
3. The Committee commended the role of Cooperatives towards enhancing the standards of living and economic participation of our rural communities. The Committee further recommends the strengthening of the Cooperative department in order to continue to increase the number of cooperatives, compliance and Capacity Development.
4. The Committee noted that MSG trade Agreement is one of the Regions successfully implemented Trade Agreements which has enabled member countries to benefit in goods, trade and also with the memorandum of understanding (MOU) on skills movement scheme. The Committee recommends continued progress on other Trade Agreements as well.
5. The Committee appreciates the Ministry's National Export Strategy (NES) to sustain economic growth, through export, competitiveness, value addition and diversification. NES funding is targeted at six prioritized sectors that are Forestry, Fisheries, Agro-Business, Mineral Water, Audio Visual and Information and Communication Technology. The Committee was pleased to note that Micro Small and Medium exporters were given special attention to enable them to utilize these funds to assist them in their businesses.
6. The Committee commends the successful hosting of the 2015 Fiji International Golf Tournament, attracting 132 golfers from 10 countries, \$1.5 million visitors spend locally, and gross media value of \$32.6 million. This equals to approximately 90% return on investment by Fijian government. The committee recommends further exploration of hosting such events.



7. It has been brought to the committee's notice that film shootings in Fiji are done without proper consultations with the resource owners. The Committee emphasizes on the need for more engagement and involvement with the resource owners and local talents to ensure equitable distribution of benefits.
8. The Committee is pleased to note the success of "Fijian Made - Buy Fijian" (FMBF) campaign launched in 2015 and appreciates the continuation and the positive progress on this initiative.
9. The Committee noted the growth in cruise tourism and recommends and supports initiatives which could spread and enhance the benefits of cruise tourism.



### **3.0 Gender Analysis**

According to the Ministry's workforce for 2015, the Ministry had employed 117 staff, comprising of 19 permanent staff and 98 contracted staff, of which 57 were males (48.7 per cent) and 60 were females (51.3 per cent). This reflected a clear gender balance of staff composition at MITT.

The Committee was pleased to note that women empowerment was captured by the trainings provided specifically for women in co-operatives and the encouragement of women to take up leadership roles in their co-operatives. In 2015, 40 women were trained on financial literacy and 28 women were appointed to managerial positions.



## **4.0 Conclusion**

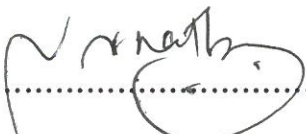
To conclude, the committee commends the overall performance of MITT in the year 2015 and notes that MITT continues to upgrade their policies and initiatives in order to ensure economic growth for the country.

The Committee also applauds the ministry's continued collaboration with an effective performance monitoring of its statutory agencies.





## Members Signature



.....

Hon. Vijay Nath (Chair)



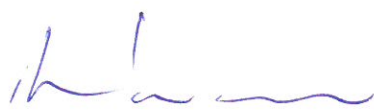
.....

Hon. Veena Bhatnagar (Deputy Chair)



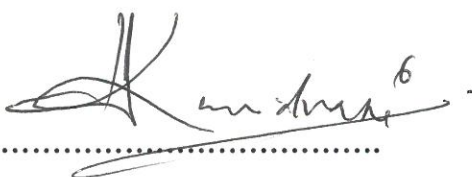
.....

Hon. George Vegnathan (Member)



.....

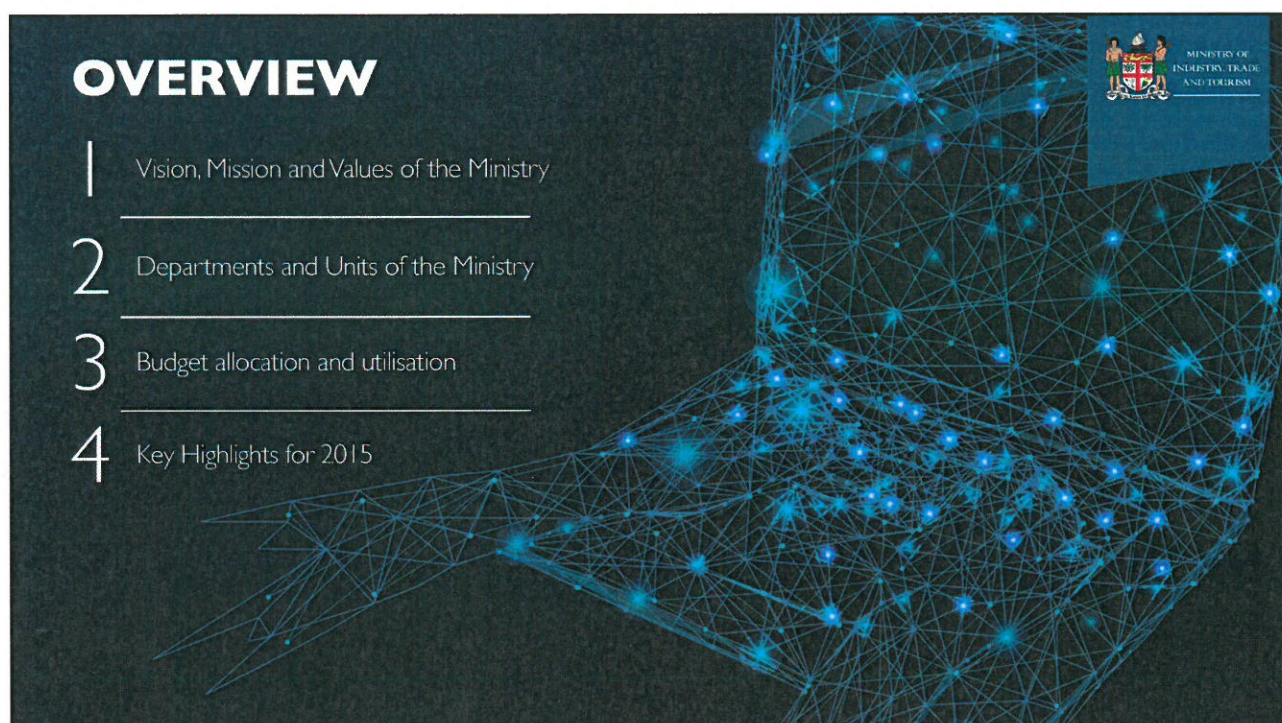
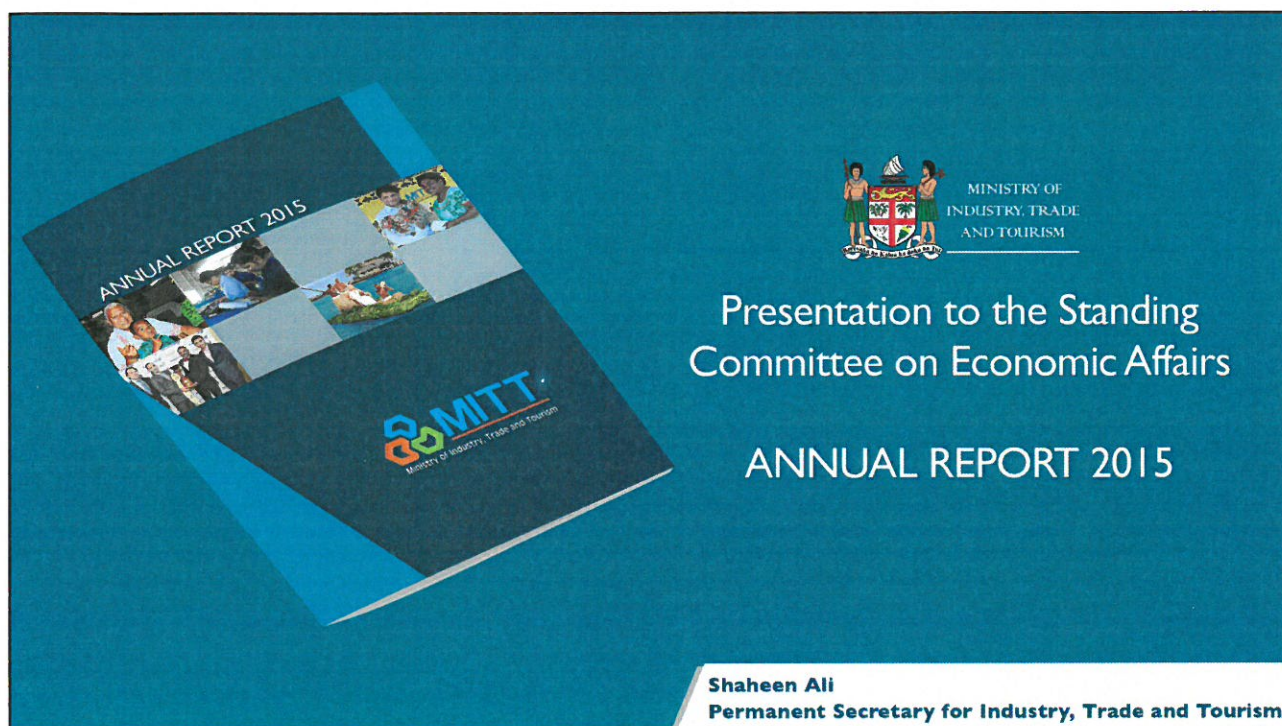
Hon. Ro Filipe Tuisawau (Member)



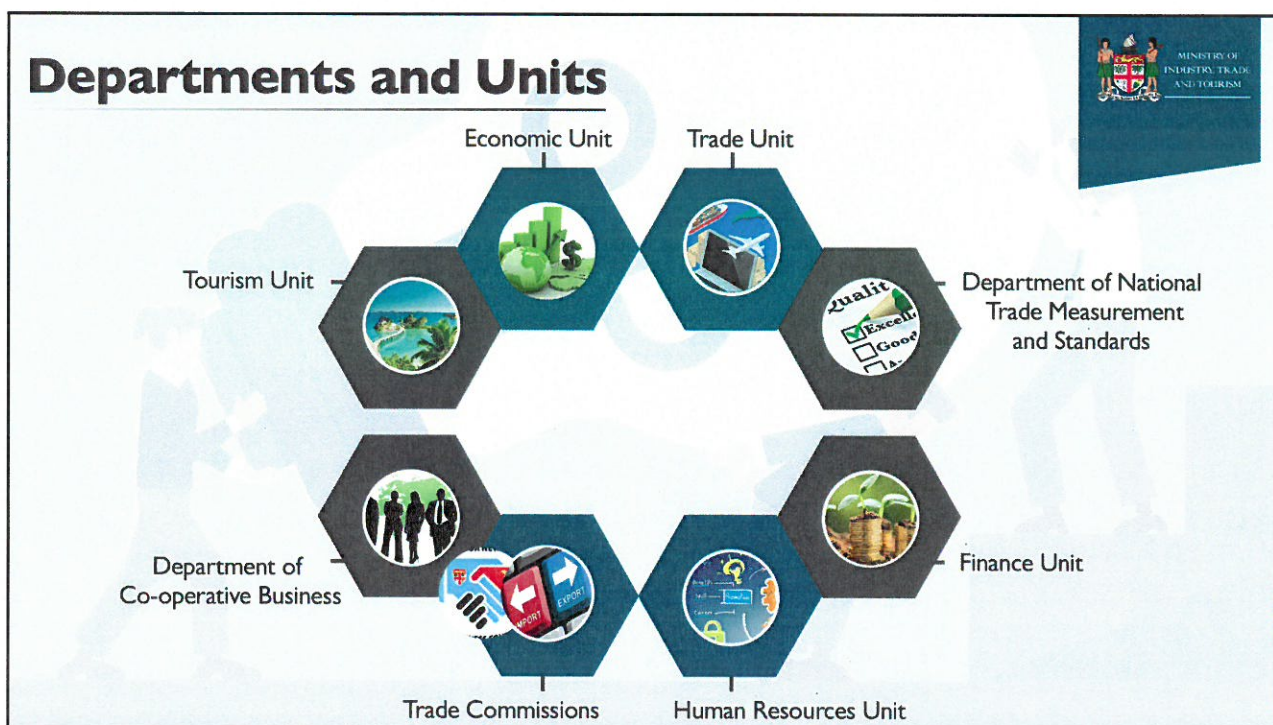
.....

Hon. Inosi Kuridrani (Member)









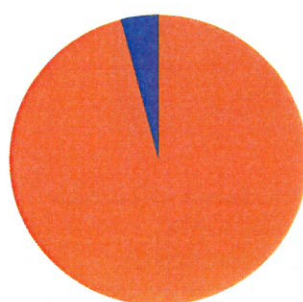
## Budget Allocation and Utilisation

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

### Audit Opinion

In my opinion,

- The financial statements present fairly, in accordance with the government accounting policies in Note 2, the financial performance of the Ministry of Industry, Trade and Tourism for the year ended 31 December 2015.
- The financial statements gives the information required by the Financial Management Act 2004 in the manner so required.



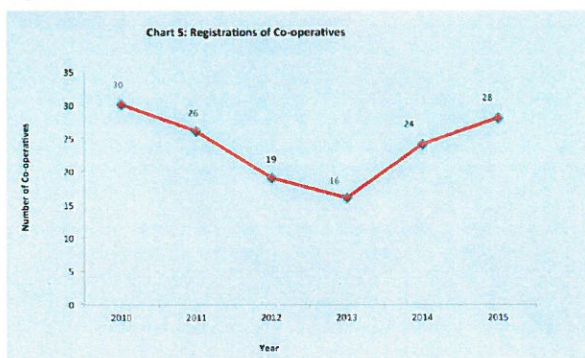
Budget allocation: \$49,484,689  
Utilisation: \$47,110,788 | 95.2%  
4.8%

Increase from 2014 due to inclusion of  
Ministry of Tourism  
Capital budget increased by 5270%



## Key Highlights

### Registration of Co-operatives



Source: Department of Co-operative Business Database, Ministry of Industry, Trade and Tourism

A total of 28  
Co-operatives  
registered in 2015

13 co-operatives  
carried out  
diversification

10 non-operating  
or dormant co-operatives  
revived during the year

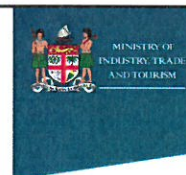


Micro and Small Business Grant  
initiative launched

321 companies and 1,551 local products licensed  
under Fijian Made-Buy Fijian Campaign



## Key Highlights Cont'd



Hon. Prime Minister at the launch of the Fijian Trade Policy Framework 2015-2025



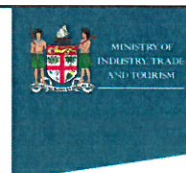
MSG Trade Agreement 3 Negotiations



Source: DNTMS Database, Ministry of Industry, Trade and Tourism

- ✓ The Department of National Trade Measurement and Standards continued with market surveillance and inspections
- ✓ Revenue from the services provided reached \$7,94,416

## Key Highlights Cont'd



Continued training through the FIJIAN HOSTS customer service programme



Successful hosting of the 2015 Fiji International attracting 132 professional golfers



Participation at key tourism events such as the Fiji Tourism Expo 2015, China International Travel Mart and the 5th Annual SATTE and India Roadshow

# Questions

---



Level 2 and 3  
Civic Tower,  
Victoria Parade, Suva

