



# TABLE OF CONTENTS

CHAIRPERSON’S FOREWORD .....	3
LIST OF ACRONYMS .....	4
RECOMMENDATION .....	5
INTRODUCTION .....	5
Committee Members .....	5
ROLES AND RESPONSIBILITIES OF THE FIJI PORTS CORPORATION LIMITED.....	6
ISSUES RAISED .....	6
Derelict Removal.....	6
Recommendations.....	7
Need to Strengthen Key Stakeholder Relationships.....	7
Recommendation.....	7
Fiji Ports Corporation Limited as a Landlord Port.....	7
Recommendation.....	7
SUSTAINABLE DEVELOPMENT GOALS .....	8
Recommendations.....	8
GENDER ANALYSIS .....	9
Recommendation.....	9
CONCLUSION.....	10
COMMITTEE MEMBERS’ SIGNATURE.....	11
APPENDICES	
Witnesses .....	12
Published Written Evidence .....	13

## CHAIRPERSON'S FOREWORD

I am pleased to present the report of the Standing Committee on Social Affairs on the annual review of the Fiji Ports Corporation Limited (FPCL) for 2017.

In accordance with its established Annual Report review process, the Committee examines Annual Reports of agencies, in order to investigate, inquire into, and make recommendations relating to the agencies' administration, legislative or proposed legislative programme, budget, functions, organisational structure and policy formulation. As part of this process, the Committee conducted public hearings to gather additional information.

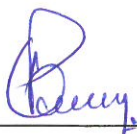
The process has proven to be an effective means of gauging its progress and maintaining a high level of scrutiny of the agencies under review.

This review was made in accordance with Standing Order 109(2)(b) which mandates the committee to look into issues related to health, education, social services, labour, culture and media.

The review looked at nine key areas covering the period from January to December 2017, conducted into: The FPCL's administration; structure; budgetary allocation; programmes offered; policies; challenges; highlights; priorities for the coming years; and its implementation of the Sustainable Development Goals.

I thank the Chief Executive Officer of the Fiji Ports Corporation Limited, Mr. Vajira Piyasena, and his staff for their assistance in this inquiry. I also extend my gratitude to my Committee colleagues Hon. George Vegnathan (Deputy Chairperson), Hon. Alipate Nagata, Hon. Salote Radrodro, and Hon. Dr. Ratu Atonio Lalabalavu for their contributions as well as to Hon. Simione Rasova for availing himself as an alternate member for those Members who were unable to attend the committee meetings. Finally, I thank the Secretariat namely, Ms. Sheron Narayan, Mr. Tevita Tuivanuvou, and Mrs. Atelaite Leba for the assistance provided during the committee's deliberations.

I, on behalf of the Standing Committee on Social Affairs, commend the *Fiji Ports Corporation Limited 2017 Annual Report* to Parliament and request all members of this August House to take note of the Committee's Report.



---

**Hon. Viam Pillay**  
**Chairperson**

## LIST OF ACRONYMS

BAF	-	Biosecurity Authority of Fiji
FCCC	-	Fiji Competition and Consumer Commission
FPCL	-	Fiji Ports Corporation Limited
FRCS	-	Fiji Revenue and Customs Services
MSAF	-	Maritime Safety Authority of Fiji
SDGs	-	Sustainable Development Goals

## **RECOMMENDATION:**

The Standing Committee on Social Affairs has conducted a review of the Annual Report of the Fiji Ports Corporation Limited for 2017 and recommends that Parliament takes note of its report.

## **INTRODUCTION**

The 2017 Annual Report of the Fiji Ports Corporation Limited was tabled in Parliament during the June 2019 meeting and referred to the Standing Committee on Social Affairs, for its scrutiny.

Standing Orders 109(2)(b) allows Standing Committee on Social Affairs to examine matters related to health, education, social services, labour, culture and media.

Standing Orders 110(1)(c) authorises the Standing Committee to *scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*

## **COMMITTEE MEMBERS**

The substantive members of the Standing Committee on Social Affairs are:

- Hon. Viam Pillay (Chairperson)
- Hon. George Vegenathan (Deputy Chairperson)
- Hon. Alipate Nagata (Member)
- Hon. Salote Radrodoro (Member)
- Hon. Dr Ratu Atonio Lalabalavu (Member)

During the Standing Committee's meetings, the following alternate membership arose pursuant to Standing Order 115(5):

- Hon. Simione Rasova

## **ROLES AND RESPONSIBILITIES OF THE FIJI PORTS CORPORATION LIMITED**

Fiji Ports Corporation Limited is a commercial port management company that operates the two main ports of entry into Fiji – Kings Wharf, Suva and the Queens Wharf, Lautoka. FPCL leases and operates Levuka Wharf, Ovalau.

The Company oversees the operations and International Ship and Port Facility Security (ISPS) requirements for Fiji's secondary ports of Malau Wharf, Labasa, Vanua Levu (owned by Fiji Sugar Corporation); Rotuma Port, Rotuma (owned by Rotuma Council); Wairiki Wharf, Nabouwalu, Vanua Levu (owned by Tropik Woods Industries Ltd); and Vuda, Viti Levu (owned by multinational oil companies).

FPCL also oversees and operates a range of port facilities, including local interisland, and fishing, and local and international barge port facilities located at Muaiwalu I and II, Walu Bay, Suva, and in Lautoka adjacent to the Queens Wharf, through the provision of Ports infrastructure and related services delivered in a manner that meets industry safety and security standards.

Given Fiji's strategic location in the centre of the South Pacific, these Ports continue to face an ever increasing demand on services. FPCL's overall operational objective is to progressively upgrade all Port facilities and services in ways that will bring benefit to clients, stakeholders and customers, while improving productivity and efficiency levels.

### **ISSUES RAISED**

#### **DERELICT REMOVAL**

The committee notes that derelict removal does not form part of FPCL's core business, but in the interests of preserving the marine environment and keeping ship laneways safe for navigation, FPCL is empowered Under Part 8, Section 27, Subsection (1) of the Seaport Management Act (2005), to order the removal of derelict vessels from its harbour boundaries. The expense of such an undertaking may range from between \$50,000 to \$500,000, if not more, depending upon the specific vessel and the circumstances under which it was abandoned.

FPCL is bound to follow set procedures despite the obstacles often encountered in locating vessel owners to ensure they are fully aware of what is taking place. As owners are often situated overseas, the process can be complex, costly and time consuming, with difficulties intensified by language barriers.

During the year under review, the Company was able to successfully enforce its powers invested by the Seaport Management Act, with the removal of five derelict vessels from the Port of Suva precincts.



## **RECOMMENDATIONS**

1. That FPCL ensures that measures are in place to address the problematic arrangement with insurance companies in the removal of derelict ships.
2. That ships registered to operate in Fiji are in compliance with the proposed reviewed legislation to ensure the safety of the travelling public.

## **NEED TO STRENGTHEN KEY STAKEHOLDER RELATIONSHIPS**

FPCL must continue to strengthen international and regional relationships while remaining abreast with worldwide developments in the port and related maritime industries sectors. FPCL's continued cooperation and communication with its key stakeholder agencies such as the Maritime Safety Authority of Fiji (MSAF), Fiji Revenue and Customs Services (FRCS), Biosecurity Authority of Fiji (BAF), Fiji Competition and Consumer Commission (FCCC), are vital if it is to provide the best service possible to its international, regional and local customers.

### **RECOMMENDATION**

1. That all key stakeholders work together to find a way forward for the efficient and effective service delivery by FPCL.

## **FIJI PORTS CORPORATION LIMITED AS A LANDLORD PORT**

FPCL is maturing into its role as a Landlord Port since the PPP in 2013. As a Landlord Port, FPCL is responsible for Port Planning, as well as the maintenance of basic port infrastructure and aids to navigation.

The committee however, notes the challenges specific to FPCL as the Landlord Port of a small, island nation. These include constraints of scale and isolation with the attendant, cascading effects of larger container vessels and cruise ships visiting Fiji's Ports.

### **RECOMMENDATION**

1. That FPCL carefully consider the aging infrastructure and upgrade its facilities to meet the market demand.

## SUSTAINABLE DEVELOPMENT GOALS

The committee notes FPCL's commitment to progressing the Sustainable Development Goals as demonstrated by the following current and planned sustainability initiatives:

### Current Initiatives

- Port Environmental Policy
- Port Green Energy Policy
- Management of Hazardous and non- Hazardous waste generated by port / Tenants' activities
- Sustainability and Stewardship of FPCL Assets
- Port Energy Policy
- Port Environmental Management Plan

### Planned Initiatives

- Port Sustainability Plan
- Port Energy Plan
- Wider Stakeholder Engagement

## RECOMMENDATIONS

1. The Annual Report makes limited reference to the SDGs and does not specify which SDG each of FPCL's programmes and activities relate to. The Committee recommends that the Fiji Ports Corporation Limited:
  - Change the format/layout of the Report to facilitate understanding of SDG information.
  - Explicitly link results with relevant/priority SDG goals and targets.
  - Include a section explaining how FPCL is prioritising action on the SDGs.
  - Report on the challenges faced with the implementation of the SDGs.
2. That FPCL work in collaboration with the Ministry of Economy for capacity building of staff to enable a better understanding of issues relating to the Sustainable Development Goals and its linkages to FPCL's work.



## **GENDER ANALYSIS**

Gender is a critical dimension to parliamentary scrutiny. Standing Order 110 (2) requires committees to consider gender equality and ensure that the impact on both men and women is explored in all matters.

The committee notes that FPCL is an equal opportunities employer. In terms of recruitment, FPCL hires people based on competency level irrespective of gender, religion, ethnicity etc. FPCL has a robust performance management system in place that will ensure fairness in evaluation of performance.

During FPCL's submission, the committee noted that in 2017, the total workforce employed by FPCL was 158, comprising of 87 contract staff and 71 support staff. There was a disparity between the number of females (34) and males (124) employed by FPCL, which the committee is glad the company has strived to address.

### **RECOMMENDATION**

1. That future Annual Reports present a breakdown of gender equality and participation in the positions held within the Fiji Ports Corporation Limited.

## **CONCLUSION**

The Fiji Ports Corporation Limited had a noteworthy financial year in 2017, achieving successful revenue results, with strong profits making possible the payment of a dividend of \$16,082,198 to shareholders. This is a record dividend from operating profits and represents a 217% increase from 2016.


The review of the Fiji Ports Corporation's Limited's 2017 Annual Report was conducted in a very tactful and comprehensive manner. This has enabled the committee for Social Affairs to submit to Parliament a more reliable and a cohesive report.

## COMMITTEE MEMBERS' SIGNATURE

We, the Members of the Standing Committee on Social Affairs, hereby agree with the contents of this report:



.....  
Hon. Viam Pillay  
(Chairperson)



.....  
Hon. George Vegnathan  
(Deputy Chairperson)



.....  
Hon. Alipate Nagata  
(Member)



.....  
Hon. Salote Radrodro  
(Member)



.....  
Hon. Dr. Ratu Atonio Lalabalavu  
(Member)

## APPENDICES

### Witnesses

---

The following witnesses gave evidence. Transcripts can be viewed on the Parliament website at the following link: <http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>

#### Monday 15 July 2019

##### Fiji Ports Corporation Limited

**Roshan Abeyesundere**, Chief Financial Officer, **Captain Laisiasa Gonewai**, Acting Chief Operating Officer, **Anare Leweniqila**, Human Capital Service Officer, and **Karalaini Tukana**, Board Secretary.



## **Published written evidence**

---

Written evidence was received from the Fiji Ports Corporation Limited and can be viewed on the Parliament website at the following link: <http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>