



MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM

Parliamentary Paper  
NO. 28 OF 2020



2017-2018

Annual  
Report



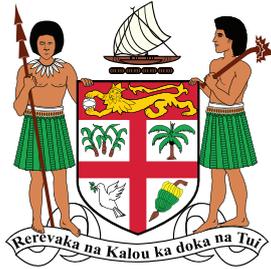




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# 1. Letter to the Honourable Prime Minister



31 July 2019

Rear Admiral (Retired) Honourable Josaia Voreqe Bainimarama  
Honourable Prime Minister,  
Minister for iTaukei Affairs and Sugar Industry,  
4<sup>th</sup> Floor, New Wing, Government Buildings,  
Suva

Dear Honourable Prime Minister

## **Annual Report 1 August 2017 – 31 July 2018**

I am honoured to submit, on behalf of the Ministry of Industry, Trade and Tourism, the performance report of the Ministry for the period 1 August 2017 to 31 July 2018.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Premila Kumar', written in a cursive style.

**Honourable Premila Kumar**  
**Minister for Industry, Trade and Tourism**

## 2 Statement by the Permanent Secretary



As we look back on another successful year, focused on delivering key projects, I am delighted to present the Ministry of Industry, Trade and Tourism's 2017-2018 Annual Report. This Report highlights the key deliverables and achievements for the year, owing to the national vision set in the 5-Year and 20-Year National Development Plan.

The 2017-2018 National Budget sets the continuation of the Fijian Government's plan to focus on empowering Fijians, raising our productivity capacity and unlocking our true potential. In order to do so, the Ministry focused on innovation and continuous improvement whilst maintaining consistency in all facets of its programmes. The Ministry was mandated with the initiative to encourage young innovative Fijians to realise their potential, through the introduction of the Young Entrepreneurship Scheme. We encouraged young Fijians to be job creators rather than job seekers, in an effort to promote a knowledge-based society.

In addition, our focus was to build the manufacturing sector and encourage investments in green manufacturing, green technology and energy, ICT and supply-chain management to diversify our economic base. In the 2017-2018 financial year, the Ministry began work on a manufacturing and services zone. It is expected upon completion, an additional 5,000 Fijians from the western division will gain employment.

Another major policy initiative the Ministry spearheaded was the business process redesign for construction permits. This is in line with the announcement of the new Regulation of Building Permits Act, which will provide a fast track process for approvals of building permits. This was a significant step taken to improve doing business processes in collaboration with the Singaporean Government.

Furthermore, in February 2018, the Ministry together with World Bank Group/International Finance Corporation began work on the review of the investment legal framework and development of the investment policy statement. The main objective was to develop a new and modern investment legislation, which is able to adapt to the changing investment environment.

As conveyed in the Annual Report, the Ministry continued with its existing programmes, such as the Micro and Small Business Grants, National Export Strategy, implementation of programmes under the Integrated Human Resources Development Programme, registration of new Co-operatives, Fijian Made-Buy Fijian Campaign, amongst many others. The Ministry successfully engaged stakeholders on the draft tourism plan or the Fijian Tourism 2021 and continued its efforts in promoting Fiji as a premier visitor destination. In terms of standards, the Ministry undertook an assessment of the National Measurement Laboratory and developed a clear action plan for accreditation of the Laboratory.

Work undertaken in the 2017-2018 financial year would not have been possible without the support of all stakeholders and guidance of the Hon. Minister for Industry, Trade and Tourism. The efforts of a united and focused team has resulted in another successful and productive year. We look forward to the continued support from all stakeholders in the year ahead.

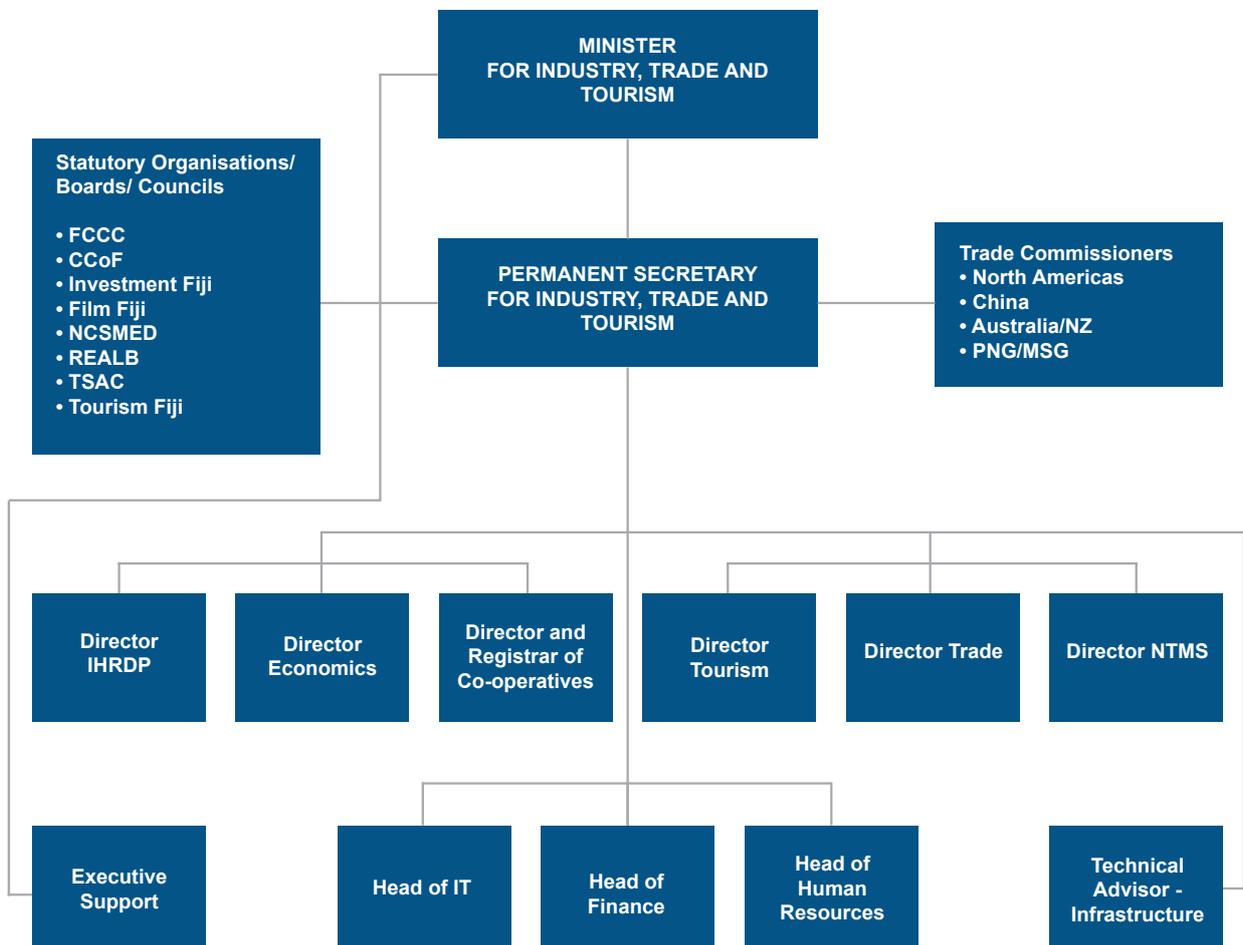
**Shaheen Ali**  
**Permanent Secretary for Industry, Trade and Tourism**

## 3. Overview

### Corporate Profile



### Organisational Structure



# 4 Reports by Departments and Units

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, tourism, co-operative businesses, micro and small enterprises, and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Tourism Unit, Department of National Trade Measurement and Standards, Department of Co-operative Business, Human Resources Unit, Integrated Human Resources Development Programme and Finance Unit within the Ministry. The Trade Commissions in Australia, China, New Zealand, Papua New Guinea and the North Americas undertake key activities in promoting Fiji in terms of trade, investment and tourism in the host countries.

The Ministry is supported by 7 statutory organisations, that is, Consumer Council of Fiji, Fijian Competition and Consumer Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.





## Economic Unit

# 5

The Unit is responsible for formulating, implementing, monitoring and reviewing policy initiatives and projects, to enhance private sector development in commerce, industry, micro, small and medium enterprises (MSME), investment, services, competition and consumer protection.

The Unit oversees four statutory organisations, namely, the Fijian Competition and Consumer Commission, Consumer Council of Fiji, Real Estate Agents Licensing Board and the National Centre for Small and Micro Enterprise Development.

The Economic Unit is also responsible for providing policy advice and administrative support to its stakeholders, both within Government and externally.

The major projects undertaken by Economic Unit in the 2017-2018 financial year were as follows:

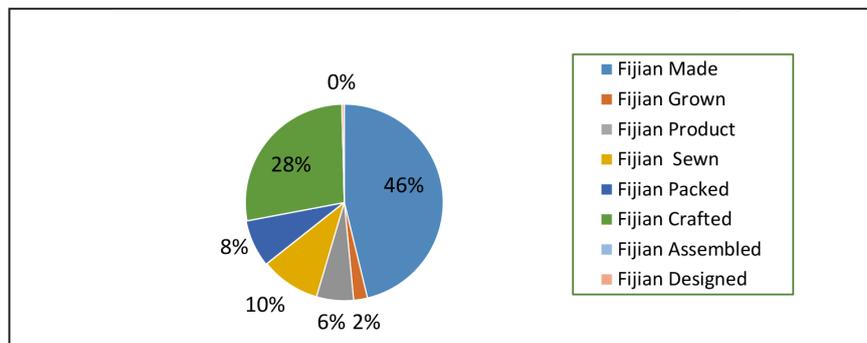
### **Fijian Made – Buy Fijian Campaign**

The Fijian Made – Buy Fijian Campaign continued its successful marketing and licensing of products in the 2017-2018 financial year. The Ministry reviewed the Industry Emblem Regulation by amending the application fee and adding a new 'Fijian Organic' criteria.

The Ministry organised promotional events and actively participated in those organised by stakeholders to promote the Campaign in the domestic, regional and international markets. Outreach programmes included the 2018 Kula Film Awards, 2018 National Women's Expo, Careers Expos at local Universities, 2018 Fine Food Show in Melbourne, International Outsourcing Expo in Sydney, Guangdong 21 Century Maritime Silk Road International Expo in China, Agriculture Show in Sigatoka, Fiji-Japan Trade and Investment Seminar in Nadi, Fiji Day celebration in Sydney, Super Rugby in Suva and the Sydney and Singapore Sevens World Series events.

A total of 68 companies and 416 products were granted approval to use the Fijian Made, Fijian Sewn, Fijian Packed, Fijian Product, Fijian Grown and Fijian Crafted brands.



**Graph 1: Percentage of Licensed Products by Industry Emblem**

## Young Entrepreneurship Scheme

As part of the Fijian Government's initiative to stimulate employment and encourage more young Fijians to become job creators, the Ministry introduced the Young Entrepreneurship Scheme (YES). YES assists young Fijian entrepreneurs to start their own businesses and contribute positively towards the development of the Fijian economy.

YES was launched by the Hon. Prime Minister in Suva, on 11 January 2018, where 5 recipients were awarded certificates. The Ministry received a total of 375 applications for the financial year, which were assessed by the YES Selection Panel.

The YES Selection Panel is chaired by the ANZ Country Head, Mr Saud Minam, and is comprised of accomplished professionals from the private sector with significant experience and business acumen. These professionals, in addition to assessing applications, provide mentoring and assist in training of the applicants.

The Ministry organised 4 'Start Your Own Business' trainings in the Central, Northern and Western divisions under the YES banner. The trainings were attended by more than 200 youth from the respective divisions. The trainings covered business fundamentals, such as development of marketing plans, business plans and basic business bookkeeping skills.



*Young Entrepreneurship Scheme Selection Panel and Recipients with the Hon. Prime Minister at the launch*

## **Standardised Roadside Stalls**

The standardised Roadside Stalls project provides vendors with structured stalls that are safe and hygienic with the ability to withstand adverse weather conditions. These stalls are constructed along highways in rural areas, outside municipal boundaries. The stalls provide a clean and consistent market for rural vendors.

In the 2017-2018 financial year, the Hon. Prime Minister officially launched the Roadside Stalls project at Vakabalea, Navua. At this event, 6 semi-permanent stalls and 3 portable stalls were formally handed over. A total of 20 semi-permanent and 10 portable stalls were constructed in Viti Levu during the reporting period.



*Launch of the Roadside Stall initiative by the Hon. Prime Minister*

## **National Export Strategy**

The National Export Strategy (NES) aims to achieve sustainable economic growth by encouraging exports, competitiveness, value addition and diversification. The NES prioritised the forestry, fisheries, agro-business, mineral water, audio visual and ICT sectors.

In the 2017-2018 financial year, NES received funding proposals from 26 companies, with total grant requests of \$6 million. After careful assessment through site validations, verifications and the National Export Strategy Committee recommendations, 11 companies were funded to the tune of \$1.6 million.

## **Micro and Small Business Grant**

The Micro and Small Business Grant (MSBG) provides funding of up to \$1,000 for micro and small businesses. The MSBG initiative is jointly administered by the Ministry and the Fiji Development Bank.

The MSBG continued to grow in the 2017-2018 financial year. The Ministry received 47,045 applications expressing interest for this financial year. Of these, 12,548 recipients were successfully allocated grant funding in the reporting period.



*MSBG recipients with their cheque*

## Northern Development Programme

The Northern Development Programme (NDP) is a Fijian Government funded programme that targets entrepreneurs in the Northern Division under the “Look North” policy. The NDP provides equity assistance through grants to enterprises to take loans from approved lenders, including the Fiji Development Bank, commercial banks and sugarcane growers fund. The programme also provides business and technical training to help businesses improve performance.

A total of 189 equity grant applications were received this financial year, valued at more than \$1.6 million. Of these applications, 131 were approved and disbursed to entrepreneurs in the Northern Division, with a total value of more than \$867,000. This helped create an estimated 412 direct and indirect jobs, benefiting the livelihood of around 2,060 Fijians.

## Astana Expo 2017

The Ministry lead Fiji’s participation at the 2017 Astana Expo, Kazakhstan. The theme for Astana Expo 2017 was “Future Energy”. However the sub-theme for the Fijian pavilion was “Ensuring Access to Affordable, Reliable and Sustainable and Modern Energy for all”. Relative to the theme, the Fijian pavilion displayed information on the progress made in developing hydro, solar, biomass and other viable energy sources and various investment incentives in Fiji to attract investors into the renewable energy sector.

The Honourable Prime Minister led the National Day delegation on 16 August 2017. The Ministry ensured that Fiji’s participation at the Astana Expo 2017, showcased to the world our position as an ideal tourism destination and commercial hub of the Pacific. Opportunities to trade in niche products, where Fiji has comparative and competitive advantage was also strongly promoted.

Fiji’s participation at the Astana Expo 2017 brought wide global publicity. The Fijian Exposition on tourism, culture and Fijian Made products was showcased through television, radio broadcast, and various social and print media.



Hon. Prime Minister at the Astana Expo

*“ I want to take this opportunity to warmly thank the Government of Kazakhstan for the financial support that you are providing to Fiji to undertake research on our future energy needs. It’s a valuable contribution by Kazakhstan to our national development. ”*

————— Hon. Prime Minister —————

## Scrap Metal Trade

The Scrap Metal Trade Act 2011 regulates the trade of scrap metal in Fiji. This includes granting Special Approval for sale of Non-Ferrous Scrap by the Licensing Authority.

The suspension on the trade of Non-Ferrous Scrap metal continued in the 2017-2018 financial year. Special Approvals were granted on a case-by-case basis to Government Departments, public and private companies. During this period, the Licensing Authority renewed 6 Scrap Metal Dealers License and issued 19 Special Approvals.



The Trade Unit's role is to formulate and implement policies and initiatives to enhance domestic and international trade and undertake trade and investment promotion. In addition, the Unit advances negotiations to create favourable market access opportunities globally for Fijian products and services.

The Unit is concurrently tasked with increasing Fiji's regional and global economic integration to enhance Fiji's economic growth. The Unit coordinates with the Trade Commissions based in Australia, New Zealand, China, Papua New Guinea and the North Americas, on trade and investment related activities. The Unit also monitors and provide policy advise to Investment Fiji and Film Fiji.

### **Trade Commissions**

There are 5 Trade Commissions in key markets, namely Australia, New Zealand, China, North Americas and Papua New Guinea. The Trade Commissions are tasked with the role of promoting and creating trade and investment opportunities for Fiji.

The Trade Commission/Consulate General in Australia and Trade Commission in New Zealand focused on promoting Fiji as a destination for Business Process Outsourcing (BPO). The Trade Commission assisted in the setting up of the BPO Council of Fiji. The Trade Commission in Australia promoted Fijian Made and Fijian Grown products at events, such as the Fine Food Show and International Sourcing Fair. In order to improve service delivery, the Trade Commission undertook the development of a Customer Relationship Management System. This system links the two Trade Commissions and the High Commissions based in Canberra and Wellington.

The Trade Commission to North Americas handled trade and investment enquiries, specifically, relating to agriculture (taro, cassava), forestry (sawmill), health care (charitable and medicals services), and beverages production (beer). The Trade Commission also engaged with the US Food and Drug Administrative (USFDA) to work towards a workshop for Fijian businesses exporting or wanting to export to the United State.

The Trade Commission in Papua New Guinea (PNG) facilitated investment projects in tourism, services and construction sectors. PNG is an important market for Fiji and Fijian exporters have invested significantly in their facilities to export to the PNG market. For example, the FMF Foods Limited has invested in their new biscuit factory, specifically for exports to PNG.



The Trade Commission/Consulate General Office in China, undertook and participated in a number of trade and investment activities. The Minister for Industry, Trade and Tourism was a keynote speaker at the 2017 Guangdong 21 Century Maritime Silk Road International Expo, which was attended by Ministers and Leaders from over 100 countries. New Fijian products entered the greater Chinese markets, these included Fiji beer, bottled water and beauty products, to name a few.



*Trade and Investment Mission held in Hong Kong*



*2017 Guangdong 21 Century Maritime Silk Road International Expo*

## **Trade Agreements**

### **World Trade Organisation's Trade Facilitation Agreement**

Following the ratification of the World Trade Organisation's Trade Facilitation Agreement (TFA), the National Trade Facilitation Committee (NTFC) was established. A total of 41 agencies from the Fijian Government, statutory bodies and the private sector, formed the core membership of the NTFC.

A National Single Window Visioning Workshop was organised in August 2018. The Workshop was specifically designed to assist agencies understand the concept of a Single Window and to consider options that are suitable to Fiji. In addition, the pilot programme for Fiji's Authorised Economic Operators (AEO) was launched in June 2018. An AEO status is granted to a trader based on their excellent level of compliance, proper management of records and internal controls, proven financial viability and robust supply chain security.

### **Interim Economic Partnership Agreement**

Fiji initialled the Interim Economic Partnership Agreement (IEPA) in 2007 and subsequently signed in 2009 in order to ensure continued duty and quota free access of Fijian exports to the European Union (EU), which was predominantly sugar. Fiji notified the EU of the provisional application of the IEPA in July 2014. As a party to the Agreement, Fiji participated at the IEPA Trade Committee Meeting in Brussels in October 2017.

### **PACER Plus**

Pacific Agreement on Closer Economic Relations (PACER) Plus is a regional Free Trade Agreement between Australia, New Zealand and the 14 Forum Island Countries (FICs) that has been signed by several FICs with the exception of Fiji, Papua New Guinea, Palau, Marshall Islands and Federated States of Micronesia due to outstanding issues and other factors affecting the legal text of the Agreement.

## **Generalised System of Preference**

Fiji currently benefits from the Generalised System of Preference (GSP) scheme from countries such as Australia, Belarus, Canada, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Switzerland, Turkey and the United States (U.S).

The U.S is a crucial market for Fiji and is amongst the top 5 export destinations. In this regard, Fiji continues to lobby for a long-term preferential access to the U.S market. This would not only provide certainty to Fijian exporters, but also enable them to further invest for increased exports.

The U.S Trade Representatives agreed to expand duty free access for exports of the different types of Travel Goods into the U.S from all GSP Countries, including Fiji.

## **World Trade Organisation's 11<sup>th</sup> Ministerial Conference**

Fiji participated at the World Trade Organisation's 11<sup>th</sup> Ministerial Conference (MC11), which was held in Buenos Aires, Argentina from 10-13 December 2017. MC11 concluded with 5 multilateral decisions:

- i) Continue the Trade-Related Intellectual Property Rights (TRIPS) non-violation situation complaints moratorium;
- ii) Continue the electronic commerce work programme and moratorium not to impose customs duties on electronic transmissions;
- iii) Small economies work programme;
- iv) Accepting South Sudan's application for observer status and establishment of an accession working party; and
- v) On the Doha Development Agenda (DDA), a lone decision was taken on fisheries subsidies negotiations. However, there was no agreement on a draft text on subsidy prohibitions relating to illegal, unreported, and unregulated (IUU) fishing and overfished stocks.

## **Brexit**

In anticipation of the impending withdrawal of the United Kingdom (UK) from the European Union (EU), the UK has been working closely with its trading partners to ensure continuity of trade relations. Fiji's trade with the UK is currently governed by the EU-Pacific Interim Economic Partnership Agreement (IEPA), which is between Fiji, Papua New Guinea (PNG) and the EU. Following Brexit, IEPA will not apply to the trade between the UK and Fiji.

The UK had proposed to replicate the current EU-Pacific IEPA, as much as possible, into a standalone trade agreement to ensure that there is continuity of trade, post-Brexit. It is important to note that the UK is also taking the same approach with other countries, which it trades with. Fiji and PNG agreed to hold technical meetings with the UK to mirror the existing EU-Pacific IEPA to the proposed Pacific-UK IEPA, to ensure that there is no disruption in trade.

## **Pacific Island Countries Trade Agreement Rules of Origin**

The Pacific ACP (PACP) Leaders at their Meeting in 2017, agreed that the Pacific Island Countries Trade Agreement (PICTA) should provide for deeper integration among the Forum Island Countries (FIC). As such, the PICTA Rules of Origin Committee (ROC) was established to facilitate the review of the PICTA Rules of Origin (ROO).

The ROO plays a central role in facilitating the effectiveness of a trade agreement and in the case of PICTA, origin is accorded to products that are wholly obtained or produced in the territory of a PICTA Party. The objective of the review of the PICTA ROO is to simplify and modernise PICTA ROO to be more conducive to allow for improved regional integration.

The PICTA ROC was re-established in 2018, comprising of Fiji, Niue, Samoa, Tuvalu and Vanuatu. The modification of the ROO was endorsed to be completed by early 2020.

## **Commonwealth Heads of Government Meeting**

The Ministry was part of the Prime Ministerial Delegation to the Commonwealth Heads of Government Meeting (CHOGM), which took place in April 2018, London. The Leaders came together to reaffirm the common values, address the shared global challenges and agree on how to work to create a better future for all citizens, particularly young people.

Amongst the outcomes of the 2018 CHOGM was the Commonwealth Declaration on Connectivity Agenda for Trade and Investment, which recognises international trade and investment, as an engine for generating inclusive and participative economic growth and a means to deliver the 2030 Agenda for Sustainable Development.



*Fiji represented by Hon. Minister at a session for Ministers of Foreign Affairs in the margins of CHOGM*

## **Fiji-China Trade Arrangement Negotiations**

The Ministry commenced a Study to assess the feasibility of engaging with China in a trade arrangement. Extensive consultations were undertaken with stakeholders, which included public and private sector and civil society. The Ministry will present the Feasibility Report to Cabinet in the next financial year.

## **Policy Reforms**

### **Ease of Doing Business – Review of Building Permits Approvals Process**

The Ministry spearheaded the review of doing business processes in Fiji. In this regard, a number of “quick-wins” were identified, which included, building permits and starting a business processes.

The Ministry began work with Singaporean Government on the redesigning of application processes. This included workshops with construction permit approval agencies. The business process redesigning was a lead up to the work planned for the online information portal in the next financial year.



*Participants at the Workshop on the review of Building Permits processes*

### **Investment Policy and Legislation Reform**

The Ministry in conjunction with the International Finance Corporation (IFC) and World Bank Group (WBG) undertook a review of the investment framework, the legal requirements and policy. As part of the process, an Investment Reform Map was developed that provides a reform pathway.

Consultations were held on the Reform Map, draft Investment law and draft Investment Policy Statement in February 2018, with relevant stakeholders. The Ministry will finalise the Investment Policy Statement and Investment law in the next financial year.

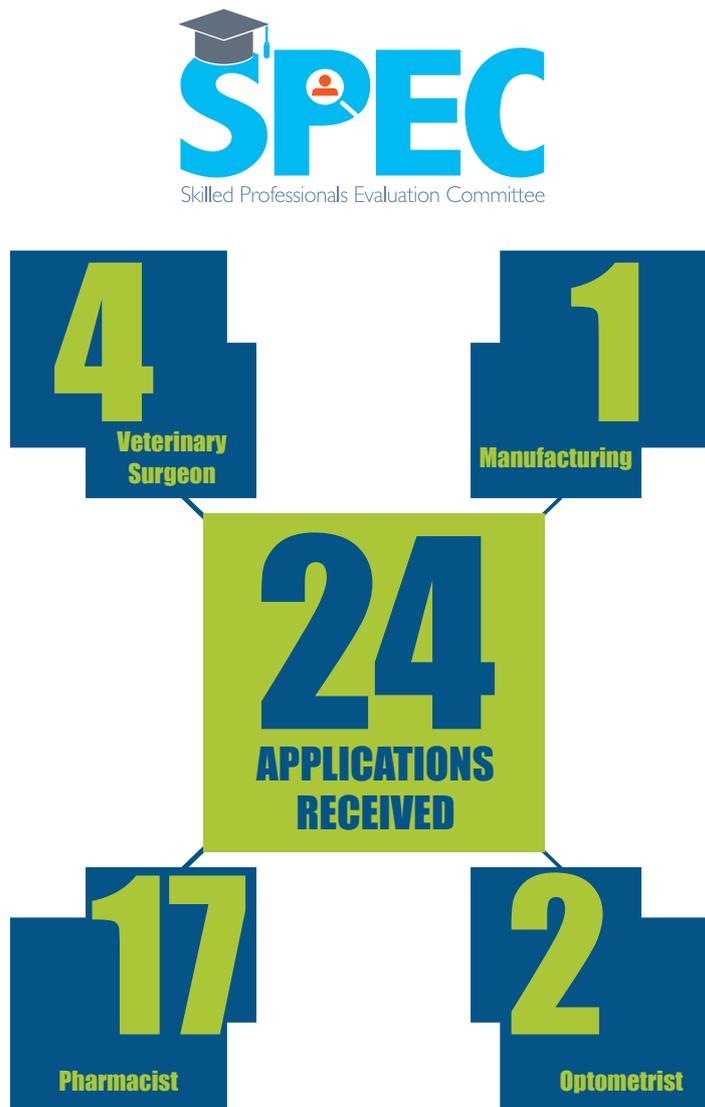


*Key stakeholders go through the Investment Reform Diagnostic Study*

## Skilled Professionals Evaluation Committee

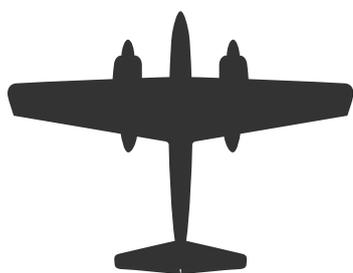
The Registration of the Skilled Professionals Act commenced on 21 March 2016. The Act provides for the establishment of the Skilled Professionals Evaluation Committee (SPEC) to evaluate the need for skilled professionals in Fiji and to provide for special registration of the professionals for related matters.

A total of 24 applications were received by SPEC during this reporting period. Out of the 24 applications received, 17 were approved, 5 disapproved and 2 applications were withdrawn. The highest number of applications received were from the Medical sector, specifically Pharmaceutical. The diagram below shows the graphical analysis of applications received from each profession during the reporting period.



## Tourism Unit

The Tourism Unit undertakes research and data collection to formulate and implement policy initiatives, plans and strategies to develop the Fijian tourism industry in a sustainable manner, while ensuring greater retention of the tourism income. The Unit also oversees the performance of Tourism Fiji, which is responsible for marketing and promoting Fiji as a tourist destination.



### Arrivals

842,884

(6.4% increase)



### Earnings

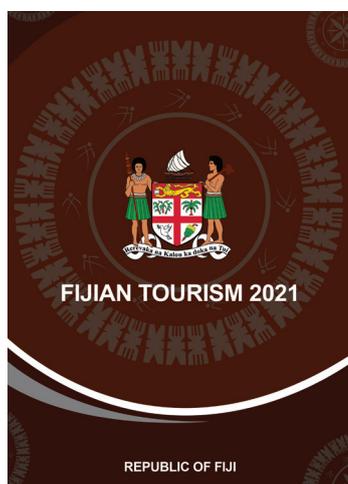
\$1,924.3m

(5.5% increase)

Key stats for 2017

### Fijian Tourism 2021

The Ministry continued work on Fiji's tourism sectoral plan, the Fijian Tourism (FT 2021). The Ministry identified and included critical areas that were not covered in the initial draft, such as infrastructure developed, linkages between sectors, involvement of grassroot communities and micro, small and medium business development, to name a few.



A series of consultations with industry and Government stakeholders, were undertaken with technical assistance provided by the World Bank Group/ International Finance Corporation to produce a comprehensive policy document. The FT 2021 was further advanced by the Ministry to ensure all industry challenges and opportunities were effectively reflected.

## **International Visitor Survey**

Following the modernisation of the International Visitor Survey (IVS), to electronic data collection, the Ministry engaged StollzNow to develop the 2015, 2016 and 2017 IVS Reports. The 2015 Report was endorsed by the Cabinet in December 2017, whilst the other Reports were discussed with stakeholders. StollzNow also undertook, training and mentoring of Tourism Unit officers.

The Ministry engaged the International Finance Corporation to conduct a review of Fiji's current IVS, in February 2018. The review was completed in July 2018, which identified areas for improvement for better reporting. The Ministry will in the next financial year work towards implementing the review recommendations and continuously improve its data analytical and reporting capacity.

## **Hotel Data Collection System**

The Hotel Data Collection System (HDCS) was designed to serve as a centralised reporting mechanism for licensed accommodation operators. The Ministry held 2 rounds of consultations with stakeholders on the HDCS online application in this financial year.

Subsequently, a draft Hotel Data Collection System Bill was prepared to facilitate the implementation of the System. The development of HDCS application and the draft Bill were guided by the High-Level Committee with representation from agencies including the Ministry, Reserve Bank of Fiji, Fiji Revenue and Customs Services, Government ICT, Office of the Solicitor-General and the Fiji Bureau of Statistics.

## **FIJIAN HOSTS**

A total of 180 tourism stakeholders were trained in 9 FIJIAN HOSTS sessions from August 2017 to July 2018. These trainings aimed to improve customer service of frontline staff, at the 8 frontline agencies at the Nadi International Airport. These agencies include, Biosecurity Authority of Fiji, Fiji Airports Limited, Air Terminal Services, Department of Immigration, Fiji Revenue and Customs Services, Border Police, Airport Security and the Ministry of Health and Medical Services. The programme expanded its focus to train MSMEs in the tourism sector as well as support volunteer services for other tourism projects, such as the International Visitor Survey.

## **Tourism Awareness**

The Tourism Unit conducted various awareness activities through participation at workshops, as well as, partnering with Fiji One Television to highlight success stories of tourism MSMEs.

These include:

### **(i) National Workshop on Facilitating Movement of Fijian Handicrafts**

The workshop was conducted from 28 to 29 September 2017, by the Secretariat of the Pacific Community (SPC) in collaboration with Ministry, Department of National Heritage and Arts, Pacific Islands Forum Secretariat, Pacific Horticultural and Market Access Program (PHAMA) and Biosecurity of Fiji.

Over 30 producers, buyers, Government officials, biosecurity officials and stakeholders involved in the Fijian handicraft industry were present to discuss the new Regional Biosecurity Manual developed by SPC and Australian-funded PHAMA for handicraft exports. The Ministry also used the workshop to present tourism opportunities and the Fijian Made-Buy Fijian Campaign.

## **(ii) Tourism Community Awareness Workshop – Dawasamu, Tailevu**

The Ministry was invited by the Department of Environment to a Joint Community Awareness Workshop at Nataleira Village for the the Tikina of Dawasamu from 28 to 29 August 2017. The theme of the Workshop was “Connecting People to Nature and Sustainable Tourism Supporting Local Community”. The purpose of the Joint Community Awareness Workshop was to provide the people of Dawasamu insights on conservation of the natural environment and its utilisation in a sustainable manner, as a source of income.

## **(iii) Tourism Awareness for International Secondary School**

The Ministry on 8 May 2018 participated in an awareness session with Year 10 students of the International Secondary School, Suva, studying tourism boards around the world. The main focus of the session was to create awareness on the role of the Ministry and Tourism Fiji in the greater Fijian tourism industry.

## **(iv) Success Stories of Tourism MSMEs – Fiji One coverage**

MSMEs play a large part in the Fijian tourism industry, both directly and indirectly through the provision of a wide range of products and services such as accommodation, catering, transportation, attractions and activities.

The Ministry partnered with Fiji One Television to highlight success stories of tourism MSMEs, which aired on the Talk Business Show. This provided a platform to encourage aspiring entrepreneurs to venture into tourism. A total of 11 Tourism MSME Success Stories from the Rewa, Naitasiri, Tailevu and Nadi tourism regions were aired on Fiji One Television.

## **World Tourism Day Celebration**

In commemoration of the World Tourism Day (WTD), the Ministry hosted a Tourism Fair on 30 September 2017, at Ratu Sukuna Park in Suva. The 2017 WTD theme “Sustainable Tourism a Tool for Development”, provided an opportunity to raise awareness on the contribution of sustainable tourism development, whilst mobilising stakeholders to work together in making the sector a catalyst for positive change.

38 VIP guests from Government, industry, academic institutions, statutory bodies and private sector were present at the WTD Tourism Fair. There were 35 exhibitors, featuring direct and supportive services to the tourism industry coupled with cultural entertainment showcasing Fiji’s unique product offerings.



*Industry representatives celebrate World Tourism Day*

## **2017 International Year of Sustainable Tourism for Development**

In line with the 2017 International Year of Sustainable Tourism for Development (IYSTD), which was declared by the United Nations General Assembly in 2015, the Ministry continued work on the National Action Plan.

The IYSTD National Programme included initiatives such as coral planting at the Outrigger Resort Fiji, dry forest rehabilitation at the Sigatoka Sand Dunes National Park, tree planting and beautification of Thurston Garden. The above initiatives were carried out in partnership with industry partners such as the National Trust of Fiji, Fiji Hotel and Tourism Association and Fiji Museum.

The Ministry also worked alongside the South Pacific Tourism Organisation to pilot an Accommodation Sustainability Monitoring Toolkit in Fiji.



*Coral Planting at Outrigger Resort*

## **Fijian Tourism Talanoa**

The Fijian Tourism Talanoa (FTT) was convened in November 2017, with the theme of “Progressive Tourism through Sustainable Partnerships” and attended by 115 tourism stakeholders. It was organised by the Ministry in collaboration with other Government agencies and key industry stakeholders.

The FTT encouraged constructive dialogue on pertinent issues relating to the industry and strengthened partnership amongst stakeholders for the further development of Fiji’s tourism industry. The FTT also provided an opportunity to update the industry on the various initiatives, policies and programmes in relation to the tourism industry and together identified common ground to resolve key issues affecting stakeholders.



*Participants at the Fijian Tourism Talanoa*



## **South Asian Travel and Tourism Exchange 2018**

The South Asian Travel and Tourism Exchange (SATTE) is the premier travel and tourism event in India. The 24<sup>th</sup> edition of SATTE was held at Pragati Maidan, New Delhi from 31 January to 2 February 2018. The Tourism Fiji booth included partners such as Fiji Airways and other Fijian inbound tour operators.

In the margins of the SATTE, the Hon. Minister for Industry, Trade and Tourism also attended meetings with key stakeholders in India including a bilateral meeting, with his Indian counterparts, the Hon. Shri K.J. Alphons, Minister of State (Independent Charge) for the Ministry of Tourism and the Hon. Shri Suresh Prabhu, the Minister for Commerce and Industry.

### **Tourism Key Event Highlights:**

#### **(i) Fiji International 2017**

The 4<sup>th</sup> Fiji International tournament, co-sanctioned by the ISPS HANDA PGA Tour of Australasia, the European Tour and the Asian Tour, was held from 17 – 20 August 2017, at the Natadola Bay Championship Golf Course.

A total of 130 players participated from approximately 20 countries including 7 local players, such as world-class golfers such as Vijay Singh and Steve Jeffress. The tournament was won by Jason Norris of Australia.

The tournament engaged approximately 200 local and international volunteers and approximately 60 local businesses as sponsors and suppliers for the event. The event also hosted various golf development programmes throughout the year, such as the Golf Development Officer training, Westpac School Development Clinics and the Fiji National Sports Commission Sports Day.

#### **(ii) Super Rugby Match 2018**

The 2018 Investec Super Rugby match was held on Saturday, 30 June 2018 at the ANZ National Stadium in Suva. The match was played between the Pulse Energy Highlanders (home-team) and the Gallagher Chiefs.

The Fijian Government's partnership in this event helped grow Fiji's sports tourism niche market by showcasing Fiji's capabilities in hosting international sporting events.

The Ministry ensured that Government benefits were maximised, in particular all marketing and promotional opportunities for brand Fiji. This was achieved through grass signage, perimeter fence banners, hanging banners at the grand-stand, corporate box signage and product display and inclusion of our logos on all e-marketing materials.

#### **(iii) 30<sup>th</sup> UNWTO CAP-CSA Joint Meeting**

*“Sustainable development is the only future for tourism. It should not be considered a burden, but as a means of venturing into new areas of development and investments”*

———— Permanent Secretary, Shaheen Ali ————

Fiji and the Pacific Region, for the first time hosted the United National World Tourism Organisation's (UNWTO) 30<sup>th</sup> Joint Meeting of the Commission of East Asia and Pacific (CAP) and Commission of the South Asian (CSA) from 18 - 20 June 2018.

The Joint Commission Meeting was preceded by a Regional Seminar on Climate Change, Biodiversity and Sustainable Tourism Development with over 130 delegates attending. In attendance were Ministers of Tourism, senior Government officials, industry practitioners and tourism experts from countries, such as China, Korea, Japan, Thailand, Vietnam, Bangladesh, Pakistan and India, including Pacific Island Countries (PICs).

The main objective of the Regional Seminar was to identify challenges faced in tourism development in the region and how these could be addressed through various mechanisms and initiatives. The Seminar also focused on strengthening governance and management mechanisms to ensure that tourism serves as a positive force, minimising environmental impact, helping conserve biodiversity and contribute to the wellbeing of local communities. In order to ensure that the Pacific is at the forefront of discussions at the Regional Seminar, PICs that were not members of the CAP-CSA were also invited.

The UNWTO was called to play a greater role to support member countries in their national initiatives by providing more research, accurate data and capacity building opportunities. Furthermore, the UNWTO was requested to be an advocate, on behalf of member states, in the international arena, such as COP and other United Nations fora on sustainable development. Another key outcome from Fiji's hosting of the Joint Commissions Meeting was that Fiji will now play a greater role in the UNWTO to ensure PICs are able to capitalise on the technical expertise, resources and programmes available for small island developing states at the UNWTO.



*Hon. Minister Koya with the UNWTO Secretary-General and delegates at the Joint Commission Meeting*

#### **(iv) HOTEK 2017**

Hosted by the Fiji Hotel and Tourism Association (FHTA), the 14<sup>th</sup> HOTEK Tradeshow event was held at the Denarau Island Convention Centre from 16 – 17 November 2017. HOTEK is an annual tradeshow for industry members, offering a variety of opportunities for people to watch and learn through workshops, which included coffee, chocolate making demonstrations, cocktail demonstrations, human resource advice and technology seminars, to name a few.

The Ministry, through its participation, was able to foster awareness on key Ministry programmes and initiatives, especially those connecting grassroot programmes, such as the Integrated Human Resource Development Programme (IHRDP) and Co-operatives, to the tourism industry.

A total of 32 exhibitors, including 27 local companies and 5 internationally based companies were represented at the event. HOTEK was officiated by the Minister for Industry, Trade and Tourism.

### **(v) South Pacific Tourism Organisation Board Meetings**

The South Pacific Tourism Organisation (SPTO) is the regional body mandated to promote, facilitate, undertake, co-ordinate, advice and co-operate tourism related activities for the benefit of its members and the Pacific. As a founding member of the SPTO, Fiji is part of the Board of Directors and Council of Ministers for the SPTO. The Board of Directors hold meetings twice a year, whilst the Council of Tourism Ministers meetings are held once, annually.

Fiji was represented at the 2<sup>nd</sup> SPTO Board meeting for 2017 and the 27<sup>th</sup> Council of Tourism Ministers meeting held in Port Vila, Vanuatu on 26 and 27 October 2017, respectively.

The meetings saw the approval of the SPTO Annual Work Plan and Budget for 2018 and endorsed the SPTO's strategy to collaborate with the Chinese Government for a China Pacific Tourism Year (CPTY) in 2019 under the China Belt and Road initiative.

---

## 8 Department of National Trade Measurement and Standards



The Department is responsible for the implementation of laws and regulations that protect consumers from unsafe and poor quality products and create favourable conditions for exchange of goods. The Department develops national and adopts international standards in order to raise levels of quality, safety, reliability, efficiency and interchangeability of products and services.

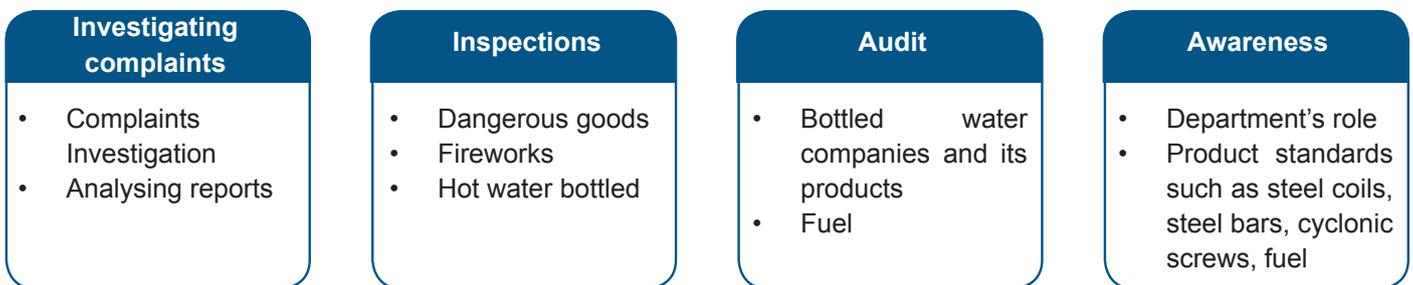
The Department maintains the national system of units and standards of measurement to ensure fair and just use of units of measurement and measuring instruments. The Department also regulates the trade of scrap metal to prevent the illegal trade of public infrastructure metal.



## Standards Unit



## Enforcement/Awareness



As part of enforcement, the Department undertook the following:

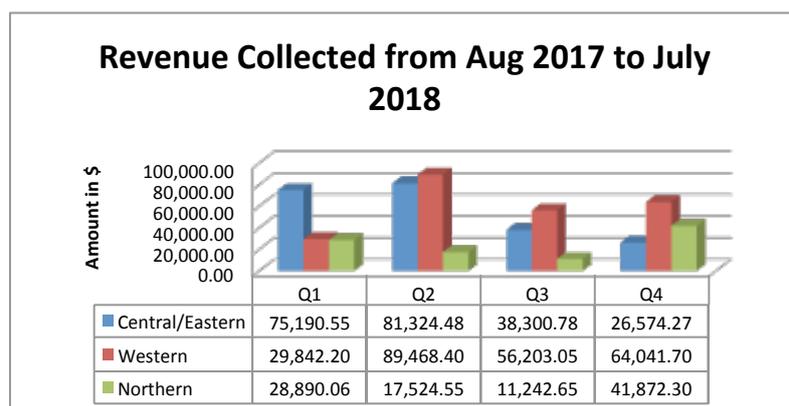
- Inspection of 434 traders to check for compliance with the declaration of dangerous goods and fireworks labeling. In addition, inspections were carried out for compliance with other declaration of dangerous goods, whereby 171 traders were inspected; and
- Investigations and resolution of 2 complaints received on the product quality and 4 complaints on weighing instruments.

## Trade Measurement Unit

### Verification and Certification of Instrument

Graph 2 below illustrates the total revenue collected from verification and certification of instruments, licensing. The Trade Measurement Unit collected \$560,474.99 from August 2017 to July 2018.

**Graph 2: Revenue Collection for 2017-2018**



4,846 instruments were verified and calibrated from August 2017 to July 2018 as per Table 1 below

**Table 1: Summary Instruments Verified/Calibrated from August 2017 –July 2018**

Type of Instruments	Number of instruments verified			Total
	Central	Western	Northern	
<u>Energy Meter:</u> Test Bench Energy meter	2	0	0	2
<u>Water Meter:</u> Verify water meter Seal Water meter	0	0	0	0
<u>Water Meter:</u> Verify water meter Seal Water meter	0	0	0	0
Drive Flow meter	193	177	83	453
Steel Ruler	0	0	0	0
Litre measure	0	265	31	296
<u>Scales:</u> Salter Scale	188	388	733	1,309
Electronic	561	591	226	1,378
Weighbridge	33	13	8	54
Gantry	11	0	7	18
Parking Meter	45	1,239	0	1,284
Breathalyser	0	0	0	0
Red Light Speed Camera	6	0	0	6
Radar Guns	0	0	0	0
Stakeholders Reference Masses	0	6	3	9
LPG Flow Meter	37	0	0	37
Axle weigher	2	0	0	2
<b>Total</b>	<b>1,078</b>	<b>2,679</b>	<b>1,091</b>	<b>4,848</b>

### National Metrology Laboratory

The National Measurement Laboratory (NML) issued principal license, repairers license, public weighman license, import licence for roofing coil and cyclonic screws and Pattern Approvals for new model equipment. In the 2017-2018 financial year, new model scales, water meters and speed cameras were brought to be approved for use in Fiji.

**Table 2: Types of licenses issued by NML from August 2017 to July 2018**

No.	Type of License	No. of License Issued
1.	Principal	19
2.	Repairers	51
3.	Public Weighman	66
4.	Pattern Approval	3
5.	Total Import Licence for Roofing Coil and cyclonic screws	123
<b>Total</b>		<b>262</b>

## Review of National Measurement Laboratory

The Ministry engaged consultants to undertake the assessment of the National Measurement Laboratory to prepare for international standards accreditation, specifically ISO/IEC 17025 and to provide a 3 to 5 year work plan for the Laboratory.

The consultants undertook the assessment of the National Metrology Lab and submitted the report to the Ministry with a 3 to 5 year work plan.



## 8 Integrated Human Resources Development Programme



The Integrated Human Resource Development Programme (IHRDP) addresses unemployment through a holistic and integrated approach by combining efforts and resources of the public sector, private sector and civil society. IHRDP empowers communities to achieve decent and productive work to enhance sustainable economic growth. IHRDP also provides grant funding for community-based income generating projects in rural areas with a focus on supporting MSME development.

**Table 3: IHRDP projects completed for financial year 2017-2018**

Project Details	Division	Sector	Total Project Cost	Forecasted Direct Employment Created	Livelihood Created	Forecast Revenue
Central Bee Farmers	Central	Apiculture	\$91,059.00	48	192	\$28,000
Kasavu Village Cooperative	Central	Retail	\$29,853.81	2	92	\$48,000
Cautata Bakery Project	Central	Bakery	\$85,280.42	4	16	\$49,275
Ra Dalo Farmers	Western	Agriculture	\$25,554.90	20	80	\$68,000
Yasawa Collection Center	Western	Agriculture	\$68,818.23	2	40	\$612,320
Durubuabua Investment Limited Aquaculture Project	Northern	Aquaculture	\$41,328.70	6	24	\$28,200
<b>Total</b>	<b>6 Projects</b>			<b>82</b>	<b>444</b>	<b>\$833,795</b>

During the reporting period, 6 projects were approved for implementation in the sectors of apiculture, retail, bakery, agriculture, tourism and aquaculture.

IHRDP officials continued corrective and post funding support services to projects including Silana Eco Tourism Project, Tuvuca and Daku Women's Business Center, Lomawai Salt Making Project, Ketenatukani Integrated Farming Project, Rewa Disabled Association and Soso Bakery.



*Cicia Island Project*

## 9 Department of Co-operative Business



The Department is responsible for formulating and implementing policies and strategies to facilitate the promotion, establishment and monitoring of co-operative businesses in Fiji. The training and up-skilling of co-operative members and officials is also a key role of the Department.

The Department successfully achieved its targeted outputs during the year. In addition, the Co-operative College of Fiji was provisionally registered with the Fiji Higher Education Commission and there was a celebration of International Day of Co-operatives after a lapse of some 30 years since the last celebration.

### Co-operatives Registration

A total of 42 Co-operatives were registered in the 2017-2018 financial year, of which, 26 were cane farming Co-operatives. The increase in registration of cane farming Co-operatives was due to the assistance provided to farmers for the purchase of cane harvesters and tractors by the Fijian Government in support of modernisation of farming techniques.

**Table 4: New Co-operatives Registration for the period August 2017 to July 2018**

No.	Type of Co-op	Number of Co-op	Division			
			West	Central	Eastern	Northern
1	Transport	2		1		1
2	Cane Farming Co-operatives	26	12			14
3	Agriculture Co-operatives	5	2	2	1	
4	Bakery	1		1		
5	Solar Energy	1			1	
6	Service	1		1		
7	Consumer Store	4	2		2	
8	Poultry	1		1		
9	Handicraft	1		1		
	<b>Total</b>	<b>42</b>				

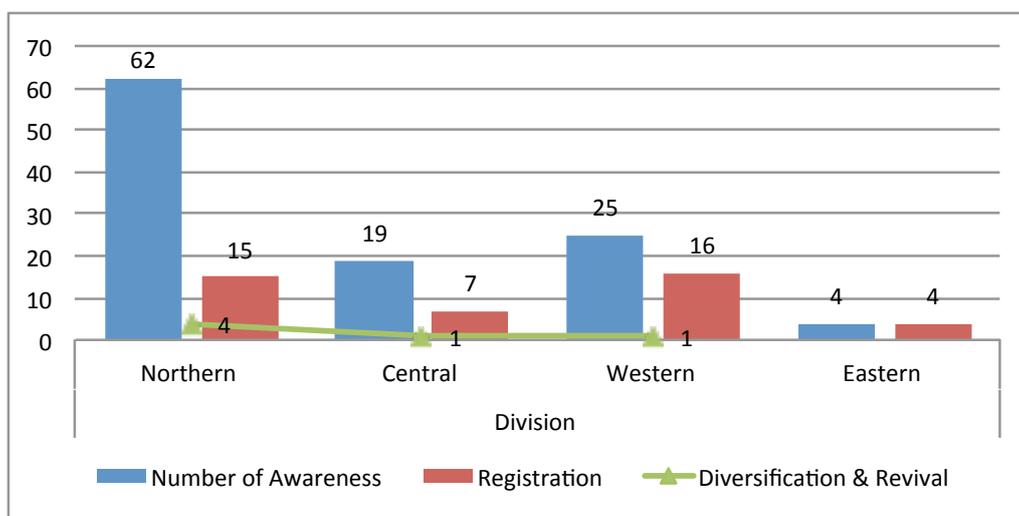
## Co-operative Promotion, Awareness, Diversification and Revival

The Department continued to conduct awareness and promotion when requests are received from communities and interested groups, as well as stakeholders. A total of 110 awareness sessions were undertaken in this period, predominantly in the cane belt area. Cane farmers in the Northern and Western Divisions were also advised on Co-operatives, its formation and registration processes.

Co-operatives that are performing well were encouraged to diversify and look for new sources of income. Reviving dormant Co-operatives is also encouraged as most have not been in operation for a while. In this regard, the Department worked closely with communities that needed to revive their Co-operatives.

Graph 2 below shows the Awareness/Promotion, Diversification and Revival undertaken from the Divisions.

**Graph 3: Number of Registration, Awareness, Diversification and Revival**



## Target 100 Compliance and Audit of Co-operative Accounts

The Target 100 Compliance initiative was introduced in early 2018 with the aim of having at least 100 Co-operatives fully compliant with the Co-operative Act and other applicable laws of Fiji.

As part of compliance, submission of annual accounts is mandatory, therefore, Co-operatives were advised to prepare financial reports for endorsement at the respective Annual General Meeting, prior to submission to the Department.

## Women Empowerment and Employment within Co-operatives

The participation of women in Co-operative business is an important output that the Department continuously strives to achieve.

7 trainings specifically targeted at women to encourage leadership roles were organised during the 2017-2018 financial year. A total of 66 women were appointed in management positions in Co-operatives in this financial year. This comprised of 41 in the Northern, 8 in the Central/Eastern and 17 in the Western Divisions. Additionally, a total of 90 new jobs were created, of which 25 were cane farming Co-operatives. With the purchase of new tractors and cane harvesting machines, operators were hired to operate the machines.

## Co-operatives Training

The Co-operative College of Fiji conducted 25 trainings across the 4 Divisions. The number also includes trainings conducted for other Ministries and Departments.

**Table 5: List of Trainings Undertaken in 2017-2018**

No	Type of Training	Number of Trainings	Division			
			North	Eastern	Western	Central
1.	Co-operative Management Training	4		1	1	2
2.	Co-operative Business and Skills Training	5	1	2	1	1
3.	Start Your Business	4		1	1	2
4.	Co-operative Financial Literacy Training - Women	3	2		1	
5.	Co-operative Awareness	3		1	1	1
6.	Skills Training	6	4	1	1	



## Human Resources Unit

The Unit is responsible for providing administrative support to management, Departments/Divisions, Statutory Agencies and Trade Commissions. It is also responsible for the effective and efficient management and utilisation of resources in a transparent and accountable manner. The Unit also handles matters pertaining to staff recruitment, training and discipline, and works closely with management in planning and formulating strategies for the growth and development of the Ministry.

### **Staff Establishment**

The approved staff establishment of the Ministry during the 2017-2018 financial year was 157 posts, with 136 established posts and 21 permanent or Government Wage Earners (GWEs) posts.

#### **(i) Employment Status**

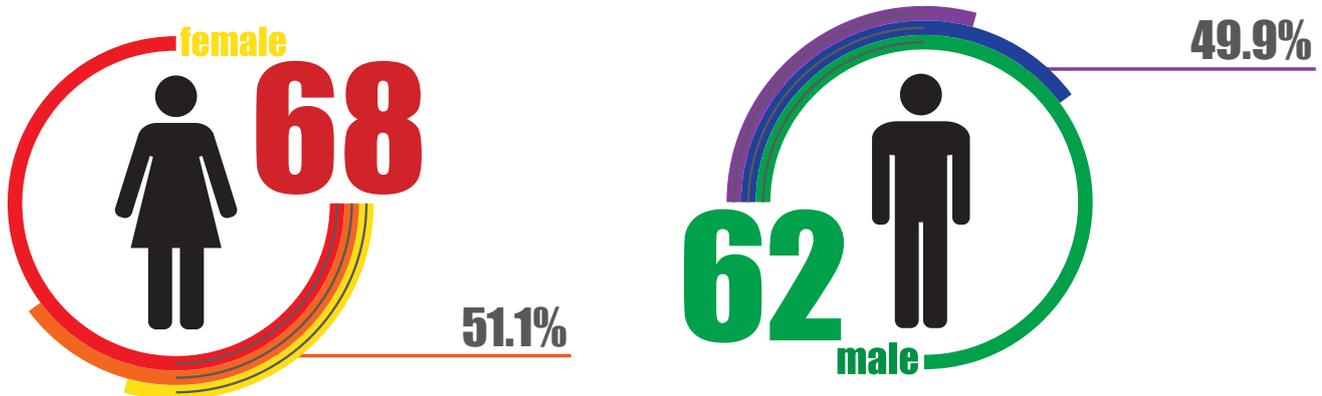
As illustrated in Table below, the Ministry employed 132 staff in the 2017-2018 financial year, of which 130 were on contracts and 2 staff on permanency. A total of 28 posts were vacant by end of July 2018

**Table 6: Breakdown of Staff Establishment**

P2P Programme/ Department	Employment Status				Gender	
	Contract	Permanent	Vacant	Total	Male	Female
Executive Office	3	-	-	3	1	2
Accounts Division	15	1	5	17	5	7
Administration	11	-	4	15	3	8
Economic Unit	13	-	1	14	9	6
Trade Unit	7	-	3	11	1	7
DNTMS	11	-	6	17	7	4
Department of Tourism	21	-	2	23	5	16
Department of Co-operative Business	19	1	4	24	9	11
IHRDP	6	-	1	7	2	4
Trade Commissions	3	-	2	5	2	1
Drivers/ Messengers	21	-	-	21	19	2

## (ii) Gender Balance

Out of the 135 staff employed, 62 were male staff and 68 were female. The Ministry employed more female (52%) than male (48%) during this period.



## (iii) Staff Movement

Table below illustrates the movement of Ministry staff in the 2017–2018 financial year based on new appointments, resignations, retirements, end of contract and/or terminations.

**Table 7: Breakdown of Staff Movement**

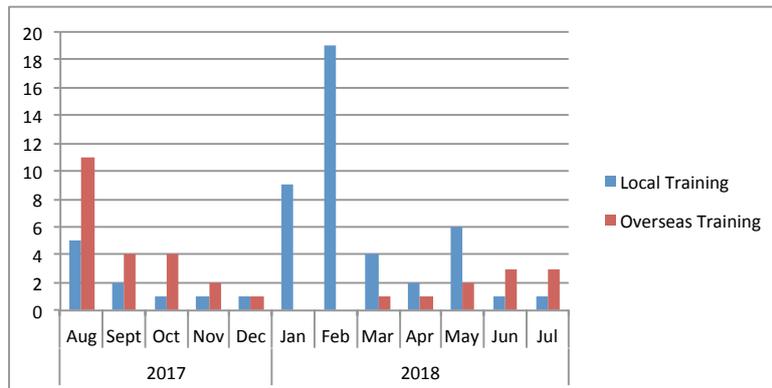
Movement Type	Number of Staff
Appointments	5
Promotions	0
Postings	0
Resignations	4
Deemed resignations	0
Retirements	1
Re-grading	0
End of Contract	1
Termination	0

*Source: Corporate Services Division Database, Ministry of Industry, Trade and Tourism*

## Staff Development

Staff development and training continues to be fostered and supported learning and performance by providing innovative, high-quality programmes, resources and services, development opportunities.

**Graph 4: Staff Training August 2017 - July 2018**



During this financial year, a total of 53 (39%) officers attended local training whilst 32 (24%) attended overseas training. The Ministry ensured officers are nominated based on their skill requirements, matched with relevance of their Individual Work Plans. Officers are also required to share the knowledge and experience gained.

## Corporate Social Responsibility

The Ministry continuously strives to give back to the community, particularly the most vulnerable Fijians. Key activities undertaken as part of the Ministry's commitment to its Corporate Social Responsibility (CSR) during the 2017-2018 financial year include:

**(i) Awareness on Prostate Cancer - "Man UP"** – the Ministry participated in a march from the Suva Flea Market to Ratu Sukuna Park to help create more awareness on Prostrate Cancer;



*Ministry's participation at the Prostate Cancer Awareness March*

**(ii) Movember Campaign** – on 6 November 2017, the Ministry, in partnership with the Ministry of Lands and Mineral Resources, took part in the Movember campaign led by Hon. Faiyaz Koya. Men of both ministries participated in the campaign to raise awareness on prostate cancer and set a target to raise more than \$5,000 as their contribution to the Fiji Cancer Society; and

**(iii) Pinktober/Oncology Unit visit** – the Minister for Industry, Trade and Tourism, Hon. Faiyaz Koya and Permanent Secretary, Shaheen Ali, led a Ministerial team to the Oncology Unit of CWM Hospital on 19 December 2017. The Ministry donated Christmas gifts for the patients and staff of the Oncology Unit including hampers and fruits, linen, pillows and blankets. Medical Superintendent Dr. Jemesa Tudravu while receiving the gifts said, “The gifts are timely and it exemplifies the Christmas spirit. This is an important place for cancer patients as this is where they receive chemotherapy and come for their routine check-ups”.



*Oncology Visit*

## **Health and Wellness**

The Ministry has allocated Monday and Wednesday afternoons for staff to undertake their own physical activities from 3:30pm to 4:30pm. This is an initiative to promote staff healthy living and wellbeing in the prevention of non-communicable diseases through awareness programmes and physical activities.

The Ministry also took part in the Suva Marathon that was held on 21 July 2018, as a team building exercise.

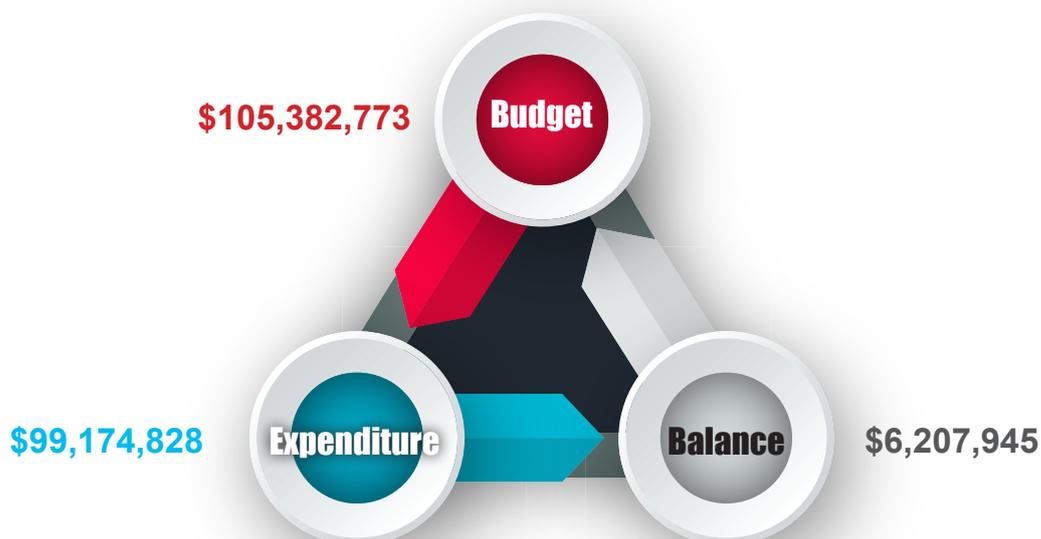
## **Vehicle Fleet**

A total of 23 vehicles were managed, administered and monitored by the Unit. The Global Positioning System (GPS) is used as a tool for vehicle management and control.

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The Unit provides financial support services to the Ministry and its Statutory Agencies. This includes sound advice and information to assist in strategic decision making. The Unit is also responsible for managing the Ministry's cashflow, timely financial reporting and preparation of budgetary submissions.

### **Budget 2017-2018**



### **Procurement**

The Ministry committed a total of 713 Local Purchase Orders for 2017-2018 financial year. The procurements included purchasing of materials for projects, events organised by Ministry and daily operating expenditures for the Ministry.

### **Payments**

The Ministry in the 2017-2018 financial year utilised \$99,174,828, which is 94% of the total budget. These included issuance of 864 cheque payments and 2,477 Electronic Fund Transfer to support the Ministry in successfully achieving the targets for the financial year and reducing transaction costs.

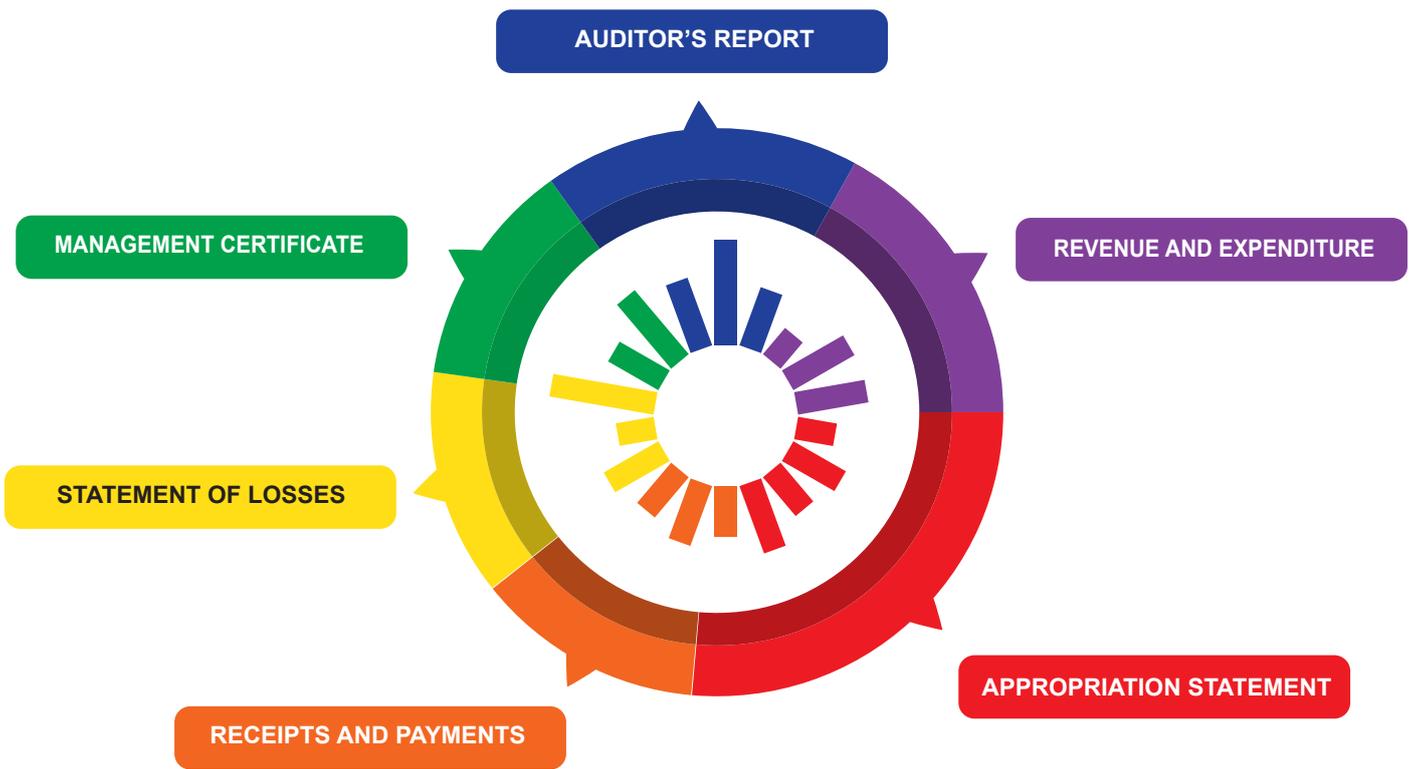
Table 8: Payments made during the 2017-2018 financial year

Month 2017/18	Monthly Expenditure (\$)	Cheque	EFT
August	2,033,144	97	124
September	910,207	54	176
October	17,223,705	67	216
November	5,681,640	52	229
December	9,808,963	56	147
January	12,120,206	55	190
February	1,398,148	56	195
March	16,616,296	75	197
April	4,045,847	72	161
May	1,948,302	96	171
June	14,967,221	80	247
July	12,421,149	104	424
<b>Grand Total</b>	<b>99,174,828</b>	<b>864</b>	<b>2,477</b>



# Audited Financial Statement for the period ending 31 July 2018

The Ministry had its Financials and Processes audited and received an unqualified audit opinion for year ending 31 July 2018



# OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8<sup>th</sup> Floor, Ratu Sukuna House  
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Website: <http://www.oag.gov.fj>



File: 344

20 June 2019

The Honorable Premila Kumar  
Minister for Industry, Trade and Tourism  
Civic Tower, Level 3  
**SUVA**

Dear Honorable Premila Kumar

**AUDITED AGENCY FINANCIAL STATEMENTS  
MINISTRY OF INDUSTRY, TRADE AND TOURISM  
FOR THE YEAR ENDED 31 JULY 2018**

Audited financial statements for Ministry of Industry, Trade and Tourism for the year ended 31 July 2018 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 for necessary actions.

Yours sincerely

Ajay Nand  
**AUDITOR-GENERAL**

cc: Mr. Shaheen Ali, Permanent Secretary, Civic Tower, Level 3

Encl



**MINISTRY OF INDUSTRY TRADE AND TOURISM  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

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### INDEPENDENT AUDITOR'S REPORT

#### MINISTRY OF INDUSTRY, TRADE AND TOURISM

##### Audit Opinion

I have audited the financial statements of the Ministry of Industry, Trade and Tourism, which comprise the Statement of Revenue and Expenditure, Appropriation Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the year ended 31 July 2018, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

##### Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the Auditor's Responsibilities paragraph of my report. I am independent of the Ministry of Industry, Trade and Tourism in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

##### Management's Responsibilities for the Financial Statements

The management of the Ministry of Industry, Trade and Tourism are responsible for the preparation of the financial statements in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016, Finance Instructions 2010 and 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 misstatements, whether due to fraud or error.

##### Auditor's Responsibilities

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 high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

**INDEPENDENT AUDITOR'S REPORT (Cont'd)**

As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional scepticism 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.

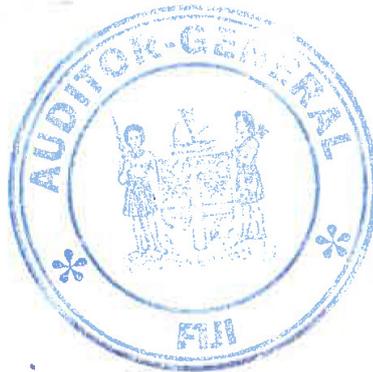
Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal controls.

Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry of Industry, Trade and Tourism.

I communicate with the Ministry of Industry, Trade and Tourism regarding, amongst 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  
20 June 2019

**MINISTRY OF INDUSTRY, TRADE AND TOURISM  
MANAGEMENT CERTIFICATE  
FOR THE YEAR ENDED 31 JULY 2018**

---

We certify that these financial statements:

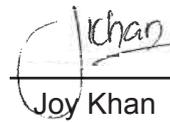
- (a) fairly reflect the financial operations and performance of the Ministry of Industry, Trade and Tourism for the year ended 31 July 2018 and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instruction 2016.



---

Shaheen Ali  
**Permanent Secretary**

Date: 12/6/2019



---

Joy Khan  
**Principal Accounts Officer**

Date: 12/6/2019

---

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
STATEMENT OF REVENUE AND EXPENDITURE  
FOR THE YEAR ENDED 31 JULY 2018

	NOTE	2018 (\$)	2017 (\$)
<b>REVENUE</b>			
<b>State Revenue</b>			
Fees		656,555	587,190
Commission		655	630
Interest Consumer Cooperatives		887	719
Miscellaneous Revenue		124,600	-
Other Grant in Aid		-	4,285
<b>TOTAL REVENUE</b>	3 (a)	<b>782,697</b>	<b>592,824</b>
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
Established Staff		3,203,286	2,991,913
Government Wage Earners		448,669	378,719
Travel and Communications		384,467	343,636
Maintenance & Operations		830,519	899,072
Purchase of Goods and Services		224,737	261,026
Operating Grants and Transfers	3 (b)	21,368,913	18,985,482
Special Expenditure	3 (c)	8,999,578	10,800,463
<b>Total Operating Expenditure</b>		<b>35,424,169</b>	<b>34,660,311</b>
<b>Capital Expenditure</b>			
Capital Construction		-	30,710
Capital Purchases	3 (d)	401,478	1,445,565
Capital Grants and Transfers	3 (e)	62,988,065	35,006,707
<b>Total Capital Expenditure</b>		<b>63,389,543</b>	<b>36,482,982</b>
Value Added Tax		361,115	428,822
<b>TOTAL EXPENDITURE</b>		<b>99,174,827</b>	<b>71,572,115</b>

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 APPROPRIATION STATEMENT  
 FOR THE YEAR ENDED 31 JULY 2018

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$)	Revised Estimate (\$) a	Actual Expenditure (\$) b	Lapsed Appropriation (\$) c
1	Established Staff	3,970,459	(97,500)	3,872,959	3,203,286	(669,673)
2	Government Wage Earner	412,775	97,500	510,275	448,669	(61,606)
3	Travel and Communications	451,300	16,000	467,300	348,467	(118,833)
4	Maintenance & operations	1,028,300	83,000	1,111,300	830,519	(280,781)
5	Purchase of goods and services	375,410	(16,700)	358,710	224,737	(133,973)
6	Operating grants and transfers	21,679,316	(141,822)	21,537,494	21,368,913	(168,581)
7	Special expenditures	11,763,845	(644,147)	11,119,698	8,999,578	(2,120,120)
	<b>Total Operating Expenditure</b>	<b>39,681,405</b>	<b>(703,669)</b>	<b>38,977,736</b>	<b>35,424,169</b>	<b>(3,553,567)</b>
<b>Capital Expenditure</b>						
8	Construction	-	-	-	-	-
9	Purchases	500,000	-	500,000	401,478	(98,522)
10	Grants and Transfers	66,944,368	(2,296,331)	64,648,037	62,988,065	(1,659,972)
	<b>Total Capital Expenditure</b>	<b>67,444,368</b>	<b>(2,296,331)</b>	<b>65,148,037</b>	<b>63,389,543</b>	<b>(1,758,494)</b>
13	Value Added Tax	1,257,000	-	1,257,000	361,115	(895,885)
	<b>TOTAL EXPENDITURE</b>	<b>108,382,773</b>	<b>(3,000,000)</b>	<b>105,382,773</b>	<b>99,174,827</b>	<b>(6,207,946)</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**APPROPRIATION STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2018**

(continued)

**Details of Appropriation Changes**

The Ministry of Economy redeployed the following funds during the period.

<b>From</b>	<b>Project</b>	<b>Amount (\$)</b>
Program 2, SEG 10	Wairabetia Economic Zone	2,000,000
	MSME Central Co-ordinating Agency	1,000,000

The Permanent Secretary for Ministry of Industry, Trade and Tourism approved the following Virements under delegation from the Minister of Economy:

<b>From</b>	<b>To</b>	<b>Amount (\$)</b>
SEG 1	SEG 1	227,000
SEG 1	SEG 2	97,500
SEG 2	SEG 2	13,500
SEG 3	SEG 4	5,000
SEG 4	SEG 3	10,000
SEG 5	SEG 3	11,000
SEG 5	SEG 4	24,000
SEG 6	SEG 10	413,060
SEG 7	SEG 4	64,000
SEG 7	SEG 5	18,300
SEG 7	SEG 6	271,238
SEG 7	SEG 7	1,041,440
SEG 7	SEG 10	290,609
SEG 10	SEG 10	4,000,000
SEG 13	SEG 13	10,156

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF LOSSES**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**Losses of Money**

There was no loss of money recorded for the year ended 31 July 2018.

**Losses of Revenue**

There was no loss of revenue recorded for the year ended 31 July 2018.

**Losses of Assets (other than Money)**

Following the approval for write-off from Ministry of Economy, the Ministry of Industry, Trade and Tourism reported the loss of assets worth \$253,446 for the year ended 31 July 2018.

<b>Asset Classifications</b>	<b>Amount (\$)</b>	<b>Project</b>
Office Equipment	207,164	All assets were beyond repair
Furniture and Fittings	46,282	
<b>Total</b>	<b>253,446</b>	

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 CO-OPERATIVE TRUST ACCOUNTS STATEMENT OF RECEIPTS AND PAYMENTS  
 FOR THE YEAR ENDED 31 JULY 2018

	NOTE	2018 (\$)	2017 (\$)
<b><u>RECEIPTS</u></b>			
Cooperative Training Institute			
Training Fees		16,494	25,770
Re-print Certificate		10	-
Interest Received		1,039	902
		<b>17,543</b>	<b>26,672</b>
<b>National Cooperative Federation</b>			
Sales - Stationery		3,137	758
		<b>3,137</b>	<b>758</b>
<b>Total Receipts</b>		<b>20,680</b>	<b>27,430</b>
<b><u>PAYMENTS</u></b>			
<b>Cooperative Training Institute</b>			
Training		11,993	5,710
Bank Charges		153	184
Catering		5,000	-
Interest Paid to Revenue		887	719
		<b>18,033</b>	<b>6,613</b>
<b>National Cooperative Federation</b>			
Stationery		-	16
FRCS		1,437	1,980
		<b>1,437</b>	<b>1,996</b>
<b>Total Payments</b>		<b>19,470</b>	<b>8,609</b>
<b>Net Surplus</b>		<b>1,210</b>	<b>18,821</b>
<b>Balance as at 1 August 2017</b>		93,377	74,556
<b>Closing Balance as at 31 July 2018</b>	4	<b>94,588</b>	<b>93,377</b>

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 INTEGRATED HUMAN RESOURCE DEVELOPMENT PROGRAMME ACCOUNT STATEMENT OF  
 RECEIPTS AND PAYMENTS  
 FOR THE YEAR ENDED 31 JULY 2018

	NOTE	2018 (\$)	2017 (\$)
<b><u>RECEIPTS</u></b>			
Community Contributions		-	61,927
<b>Total Receipts</b>		<b>-</b>	<b>61,927</b>
<b><u>PAYMENTS</u></b>			
Bank Charges		70	39
Tractor - Koronivia Framers Co-operative		22,000	-
Cash Register /Baker Flour - Gusuisavu Bakery		2,610	-
Materials - Cautata Bakery		12,804	-
<b>Total Payments</b>		<b>37,484</b>	<b>39</b>
<b>Net Deficit</b>		<b>(37,484)</b>	<b>61,888</b>
<b>Balance as at 1 August 2017</b>		146,687	84,799
<b>Closing Balance as at 31 July 2018</b>	4	<b>109,203</b>	<b>146,687</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**NOTE 1: REPORTING ENTITY**

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, co-operative business, micro and small enterprises; and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Department of Tourism, Department of National Trade Measurement and Standards, Department of Co-operative Business and Corporate Service Division, within the Ministry, including Trade Commissions in New Zealand, North America, China, Australia and Papua New Guinea. The Ministry is supported by seven (7) statutory organisations namely Consumer Council of Fiji, Fijian Competition and Consumer Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.

**NOTE 2: STATEMENT OF ACCOUNTING POLICIES**

**a) Basis of Accounting**

In accordance with Government accounting policies, the financial statements of the Ministry of Industry, Trade and Tourism is prepared on cash basis of accounting. All payments related to purchase of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71 (1) of the Finance Instruction 2010 and the Finance (Amendment) Instructions 2016. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

**b) Accounting for Value Added Tax (VAT)**

All income and 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 Revenue and Expenditure 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 Services. Actual amount paid to Fiji Revenue and Customs Services during the year represents the difference between VAT Output and VAT Input.

**c) Comparative Figures**

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

**d) Revenue Recognition**

The major source of revenue for the Ministry is fees collected from the national trade measurement assessments. Revenue is recognised when actual cash are received by the Ministry.

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

*(continued)*

**NOTE 3: SIGNIFICANT VARIATIONS**

- a) The total revenue increased by \$189,873 or 32% in 2018, compared to 2017, mainly due to increased fees collected from the national standard measurement assessments performed by the Ministry and a refund from vendor for non-delivery of truck amounting to \$124,600 for the 2016-2017 period.
- b) The operating grants and transfers increased by \$2,383,431 or 13% in 2018 due to an increase in annual budgets for Consumer Council of Fiji, Investment Fiji, Film Fiji, Fijian Competition and Consumer Commissions, Real Estate Agents Licensing Board, Tourism Fiji and Grants to Professional Bodies.
- c) The special expenditure decreased by \$1,800,885 or 17% in 2018 compared to 2017, due the removal of MSBG India budget item.
- d) The capital purchase decreased by \$1,044,087 or 72% in 2018 due to the reduction in Lab Equipment Purchase budget.
- e) The capital grants and transfers increased by \$27,981,358 or 80% in 2018 mainly due to the increase in annual budgets for Micro and Small Business Grants and Tourism Fiji – Marketing. There were also additional activities during the year such as the Standardised Roadside Stalls, Wairabetia Economic Zone, MSME Central Coordinating Agency, the Young Entrepreneurship Scheme and hosting of International sporting events – Fiji International Golf Tournament and Super Rugby Matches in Suva.

**NOTE 4: TRUST FUND ACCOUNT**

**Co-operative Trust Fund Account**

The Trust Fund account was established to administer the training services delivered to co-operative members. The receipts consist of fees charged to trainees and payment relates to the operation of the training institutes.

As at 31 July 2018, there were funds amounting to \$94,588 in the Co-operative Trust account.

**Integrated Human Resource Development Programme (IHRDP) Trust Fund Account**

The Integrated Human Resource Development Programme was endorsed by Government in 2000 to establish Income Generating Projects and to create decent employment. These small and medium economic activities are intended to generate and revitalise the local rural economies and thus enhancing the livelihood of rural communities, settlements and villages.

The administration of the account was transferred from the Ministry of Economy (MOE) to the Ministry of Industry, Trade and Tourism in 2016,2017 financial year.

The receipts consist of one third (1/3) community's contribution towards the approved projects and the contribution are released when the projects are implemented.

As at 31 July 2018, there were funds amounting to \$109,203 in the IHRDP Trust account.

## NOTES

**NOTES**







MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM

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