



STANDING COMMITTEE ON PUBLIC ACCOUNTS

Review Report on the Performance Audit of Preparedness for Implementation of Sustainable Development Goals



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CHAIRPERSON'S FOREWORD



This Committee report scrutinised and summarised the Report of the Auditor General on the Performance Audit of Preparedness for Implementation of Sustainable Development Goals. The performance audit report covered Fiji's commitment as a United Nations Member country in signing the 2030 Agenda that came into effect from 1 January 2015 and has declared its commitment to take ownership of the Agenda and be responsible for follow-up implementing the goals and targets over the next fifteen years. The SDGs are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The Fijian Government has endorsed the Global Sustainable Development Goals which aim to ensure that no one will be left behind and endeavor to reach the furthest behind first.

The Auditor General carried out this audit to ascertain the preparedness of government in implementing the sustainable development goals agenda 2030 which was undertaken under Section 6A of the Audit Act 1969. The audit was conducted using the whole of government approach. The Auditor General has assessed the actions taken by the Fijian Government since the signing of the SDGs in September 2015 in preparedness for the implementation of the 2030 Agenda by determining:

- i. The extent to which Government of Fiji has adapted the 2030 agenda into the 5 year and 20 year National Development Plan;
- ii. Whether Government of Fiji has identified and secured resources and capacities needed to implement the 5 year and 20 year national development plan; and
- iii. The mechanisms established by Government of Fiji to monitor, follow up, review and report on the progress towards the implementation of the 5 year and 20 year national development plan.

Therefore, the main findings of the Performance audit is focused on the integration of the 2030 agenda, resources and capacities for implementing the SDGs, and monitoring and reporting framework.

The Fijian Government has started the implementation of the 2030 Agenda on Sustainable Development by integrating the SDGs into its 20 year national development plan and supported with strategies for the immediate 5 year term. There have also been efforts made at reviewing legislations, policies, strategies and identifying funding sources for implementation of strategies and the creation of awareness of SDGs. It was also noted that the monitoring and reporting mechanisms are still at the early stages as the NDP is at its first year of implementation, nevertheless the work on SDGs started in 2015.

The Committee strongly encourages the Ministries and Departments to work towards the implementation of the NDP. The clarifications provided to the Committee revealed that the Ministry of Economy has taken the Auditor-General's recommendation in a positive manner and are taking necessary actions accordingly.

I would like to thank the representatives of the Ministry of Economy and Office of the Auditor General for appearing before the Committee to provide clarifications on the issues.

I also wish to extend my appreciation to all the Honourable Members of the Committee who were part of the successful compilation of this bipartisan report namely Hon. Joseph Nand, Hon. Vijendra Prakash, Hon. Aseri Radrodro and Hon. Ratu Naiqama Lalabalavu.

On behalf of the Committee, I also acknowledge the parliamentary staff for their timely support throughout the scrutiny process that were undertaken, consultations conducted, compilation and finalization of this detailed report.

With those few words, I now commend this report to the Parliament.



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Hon. Alvick Maharaj
Chairperson

COMMITTEE MEMBERS

The substantive members of the Standing Committee on Public Accounts are as follow:



**Hon. Alvick Avikirit Maharaj
(Chairperson)**



**Hon. Joseph Nitya Nand
(Deputy Chairperson)**



**Hon. Aseri Masivou Radrodro
(Opposition Member)**



**Hon. Ratu Naiqama Lalabalavu
(Opposition Member)**



**Hon. Vijendra Prakash
(Government Member)**

INTRODUCTION

Performance Audit of Preparedness for Implementation of Sustainable Development Goals was tabled in Parliament during the May 2019 Parliament sitting and referred to the Standing Committee on Public Accounts, for its scrutiny.

Standing Order 109(2) (d) mandates the Committee to “...– including examining the accounts of the Government of the Republic of Fiji in respect of each financial year and reports of the Auditor-General, and for any other matter relating to the expenditures of the Government of the Republic of Fiji or any related body or activity (whether directly or indirectly) that the committee sees fit to review. The committee must only examine how public money has been dealt with and accounted for in accordance with the written law and must not examine the merits of the underlying policy that informs public spending”.

This Report looks at the Report of the Auditor General on the Performance Audit of Preparedness for Implementation of Sustainable Development Goals, Parliamentary Paper 63 of 2019.

Copies of the relevant Auditor-General’s reports are available for perusal on the Parliament website www.parliament.gov.fj under “Parliament Business”.

The Committee reviewed the Audit Report in consultations with the Ministry of Economy which is the line agency that spearhead the implementations of the 17 SDGs and provided evidence:

The consultation that was held in Parliament Big Committee Room with the Ministry of Economy was open to the public, media and was also aired live. This is the first-ever live Committee sitting to be televised on the Parliament channel on the Walesi platform and also through the Parliament Facebook platform.

Committee Members

The Standing Committee on Public Accounts comprises of the following Members:

- 1) Hon. Alvick Maharaj, MP (Chairperson)
- 2) Hon. Joseph Nand, MP (Deputy Chairperson)
- 3) Hon. Vijendra Prakash, MP(Member)
- 4) Hon. Aseri Radrodro, MP (Member)
- 5) Hon. Ratu Naiqama Lalabalavu, MP (Member)

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

- 1) Hon. Adi Litia Qionibaravi
- 2) Hon. Mikaele Leawere

Resource Persons

The Committee together with the officials from the Office of the Auditor General and the Ministry of Economy conducted its public hearing in the Parliamentary precincts. The officials that assisted the Committee were:

Office of the Auditor General:

- 1) Mr. Kuruwara Tunisalevu, Director Auditor
- 2) Ms. Unaisi Namositava, Manager Auditor
- 3) Ms. Alanieta Nasilivata, Senior Auditor

Ministry of Economy:

- 1) Mr. Nilesh Prakash, Head of Climate Change & International Cooperation Division
- 2) Mr. Isoa Talemaibau, Head of Budget and Planning
- 3) Mr. Kamal Goundar, Manager Coordinator for the Infrastructure Sector
- 4) Ms. Mere Cakaunitabua, Budget Planning Director
- 5) Mr. Simon Singh, Manager Financial Reporting
- 6) Mr. Lorima Bulamainaivalu, Financial Reporting Officer
- 7) Mr. Atin Chand, Manager Financial Operations Treasury

BACKGROUND

In September 2015, 193 member countries of the United Nations adopted the 2030 Agenda for Sustainable Development. The 2030 Agenda for Sustainable Development is a United Nations (UN) global initiative containing 17 sustainable development goals and 169 targets. The 15 years Agenda came into effect from 1 January 2016 following on from the expiry of the Millennium Development Goals (MDG).

The 2030 Agenda is a plan of action for people, planet and prosperity, that is, it is aimed at improving people's lives economically socially and environmentally.

The Committee was informed on the progress made under its activities included in the SDGs:

1) Building public awareness

Fiji presented its first Voluntary National Review (VNR) at the High Level Political Forum in 2019. The VNR presents Fiji's progress in implementation of the 2030 Agenda on Sustainable Development Goals, including sharing of experiences, successes, challenges and lessons learned, with a view to accelerate the implementation of the 2030 Agenda. The comprehensive document was compiled in consultation with key stakeholders and is available on the Ministry of Economy's website for everyone's access. The document is the main avenue through which the public is enlightened on the 2030 agenda and the stance of the Fijian Government in achieving the SDGs.

2) Fostering inclusive stakeholder participation

It is a well-established principle that sustainable development cannot be achieved by governments alone - it requires the active participation of all people. To honour this, a SDG taskforce was appointed in 2015 to develop indicators for SDG implementation, and oversee and report on progress of implementation of the SDGs. The Taskforce comprises of representatives from government, the private sector, non-government organisations, and academia institutions. The SDGs Taskforce also served as an important validation platform for the draft VNR. Over 90 participants from Government, NGOs, CSOs, faith-based organisations and academia participated in the review and validation process providing overall guidance on the key messages captured in the draft report. The feedback from the SDGs Taskforce meeting was critical in finalizing the VNR

3) Aligning national/subnational plans and targets to SDGs

The sustainable development principles underpinning the SDGs have long been the underlying principles for Fiji's national development. In implementing the SDGs, Fiji has adopted a 'whole-of-Government' approach and has utilized national development planning as the primary instrument to drive forward SDGs implementation. In 2017, The Fijian Government launched its 5-Year & 20-Year National Development Plan (NDP) with the vision of transforming Fiji. Mainstreamed and integrated within the various thematic areas of the NDP are the 17 SDGs—15 SDGs explicitly integrated into the corresponding 29 strategic priorities of the NDP while SDG 10 (reduce inequalities), SDG 12 (responsible consumption and production) and SDG 13 (climate action) are treated as cross-cutting issues across the NDP. Consequently, the SDG implementation and its monitoring hinge on the NDP processes.

4) Assigning responsibilities and ensuring accountability

At the sector level, SDGs have already been integrated into sectoral strategic plans and policies in many sectors including but not limited to education, health and agriculture. Fiji also recognises that, while

Government holds the important responsibility for achieving the SDGs, it is in everyone's interest and everyone's responsibility including private individuals, private enterprises, NGOs and CSOs to advance the sustainable development agenda. Working with these multiple stakeholders, the Fijian Government is helping advance socio-economic development and empowerment of all Fijian. Also, The SDGs have been integrated into the various socio economic development activities in the NDP and entities assigned for their implementation.

5) Establishing relevant programs

The Fijian Government has embarked on a wide array of social, economic and infrastructure development programmes to ensure economic and social prosperity for all Fijians, particularly those who are most vulnerable. The Government's focus on infrastructure development and modernization plans not only improve connectivity between Fijian communities and with the rest of the world but address deeply rooted challenges of isolation from markets and services. Investment in roads, bridges and jetties also connect Fijians to new markets and new opportunities.

6) Allocating sufficient resources/capacity

The SDGs are also considered in the annual national budget setting process where funding required to implement the Government of Fiji policies for Ministries and Departments are identified and provided for through consultations and ultimately approved by Parliament. Funding for implementation is facilitated under Government's revenue and expenditure policies. To implement the sector policies and strategies in the NDP, funding is identified and provided for in the annual national budget process. Budget support is provided to Ministries yearly through the national budget system to support development in key sectors in line with the NDP which also contributes towards the achievement of the SDGs. Plans are underway to engage a Sustainable Development specialist whose role will be to coordinate and drive implementation of the SDGs.

7) Defining appropriate baselines and relevant targets/indicator

These have been, where possible, established through the VNR processes in 2019. Data systems to report on the 2030 Agenda and its SDGs will be finessed further with the mid-term review of the NDP and the future VNRs.

8) Developing robust systems to reliably measure, monitor and report on progress and achievements

These have been, where possible, established through the VNR processes in 2019. Data systems to report on the 2030 Agenda and its SDGs will be finessed further with the mid-term review of the NDP and the future VNRs.

This cooperative performance audit is conducted through one of INTOSAI's approaches to SDGs i.e. auditing preparedness and national systems of follow up. The OAG through the conduct of this audit contributes value and benefits for the citizens of Fiji by providing an assurance and assessment on the preparations undertaken by Government for implementing the (ISSAI 12).

The audit that was conducted by the OAG looked at the whole Government approach. The audit were looked at the integration of the SDGs at the national planning level, the alignments of implementing agencies policies, budgets strategies to enable the implementation of the plan, and the monitoring of implementation of the national plan that will enable the achievement of the sustainable development goals.

The objectives of this audit report are to assess the preparedness of government in implementing the 2030 SDGs Agenda:

- (i) Integration of the SDGs into the national planning strategies, policies and processes
- (ii) Securing of resources and capacities required for implementing the national development strategies; and
- (iii) Mechanisms for monitoring, follow-up, review and reporting on progress of implementation of the development plans.

The Committee noted that out of the 132 regional target, 80 SDG targets are monitored of which 3 targets have been fully achieved whilst 17 targets have achieved average to good progress towards achievement. No progress has been made on the achievement of 2 goals whilst 39 targets cannot be determined due to a lack of or insufficient data, or could not be established due to a lack of established methodology to gather data.

NDP is the outcome of a nationwide consultation process that involved the private sector, civil society, community groups, government and the general public reflecting the aspirations of the Fijian people and their Government's commitment to build a more prosperous and inclusive Fiji. 15 SDGs are explicitly integrated into the corresponding 29 strategic priorities of the NDP while SDG 10 (reduce inequalities), SDG 12 (responsible consumption and production) and SDG 13 (climate action) are treated as cross-cutting issues across the NDP. Consequently, the SDG implementation and its monitoring hinge on the NDP processes including the overall monitoring and evaluation.

The Committee endorses the following recommendations of the Auditor-General:

Objective 1 Recommendations:

1. The Ministry of Economy should issue a requirement for all Ministries to submit strategic and annual operation plans to support their annual budget submissions.
2. Lead agencies should ensure that sector strategies and plans are reviewed to harmonise it to the SDGs within the timelines indicated. Efforts should be made to revise enabling legislations and arrangements in place for implementation.
3. Ministries should prepare their strategic annual operational plans in a timely manner which should provide strategies to be implemented for the coming year.
4. An overarching communication strategy should be developed to assist implementers in deciding strategic priorities for public engagement.
5. The National Development Plan should be translated in the vernacular languages and distributed to as much areas as possible
6. The Ministry of Economy should develop a mechanism that will gauge the extent to which awareness of their consultation fora reaches the entire populace.

Objective 2 Recommendations:

1. The Ministry of Economy to ensure that review of policy/legislation are done to enhance the achievement of SDGs. The finalisation of the review of National Disaster Management Act and Plan should be a priority as this will ensure its legislative framework responds to both present and future needs in disaster management.
2. The Fiji National Disaster Risk Reduction Policy should be adopted early in the immediate 5year plan to enhance planning and budgeting for risk resilient components for major projects.
3. To meet the sustainable development goals and targets for a particular year, the Ministry of Economy should ensure the funds are released as initially approved in the budget

Objective 3 Recommendations:

1. Reporting requirements at the national level should be more clearly defined to ensure Parliament is adequately informed. The Ministry of Economy should instruct Ministries to submit their annual reports for tabling in Parliament to enable thorough scrutiny by the relevant Parliamentary Standing Committee, namely the Economic Affairs, Social Affairs, Natural Resources, Foreign Affairs and Defence, Justice Law and Human Rights, and on the Public Accounts.
2. In cases where there are multiple agencies implementing a development issue, efforts should be made to assign an agency responsible for coordinating and collating data.
3. The SDG Taskforce should convene another meeting given the lapse in time since they first met till the endorsement of the NDP to formulate a feedback to Government. The SDG Taskforce should honour its term of reference which requires it to meet at least twice per year to enable it to effectively discharge its duties as required under the ToR of overseeing monitoring and evaluation of SDGs and providing appropriate feedback to Government.

COMMITTEE FINDINGS

OBJECTIVE 1: INTEGRATION OF THE 2030 AGENDA INTO THE NATIONAL CONTEXT

The Committee noted that the Ministry of Economy is the main agency involved in the development of the national development plans, coordinating planning for resources and capacities, and monitoring progress of implementation. Efforts are in progress on review of legislations, policies and plans to align with related SDGs. Creating awareness of the SDGs has been centered on government ministries and departments, sector stakeholders, non-government organizations and the academia. However, awareness of the SDGs to rural and maritime region can be improved. Inclusiveness has been addressed in the policies included in the NDP and through stakeholder representation.

Theme 1: Integration of the SDGs onto national planning strategies, Policies and Process

The Committee was informed that NDP is the outcome of a nationwide consultation process that involved the private sector, civil society, community groups, government and the general public reflecting the aspirations of the Fijian people and their Government's commitment to build a more prosperous and inclusive Fiji. 15 SDGs are explicitly integrated into the corresponding 29 strategic priorities of the NDP while SDG 10 (reduce inequalities), SDG 12 (responsible consumption and production) and SDG 13 (climate action) are treated as cross-cutting issues across the NDP. Consequently, the SDG implementation and its monitoring hinge on the NDP processes including the overall monitoring and evaluation.

All three sustainable development pillars of the Green Growth Framework have been mainstreamed into the 5-Year and 20-Year National Plan. In particular, most of the Green Growth Framework KPIs have become sectorial KPIs in the NDP which is now undergoing a mid-term review led by the Ministry of Economy.

Theme 2: Alignment of budget, policies and programmes to the SDGs

The Committee was informed that it is mandatory for Ministries/Departments to submit their Strategic Plans and Cost Operations Plans with their Budget submissions. The Strategic Plan should detail how the agency will contribute to achieving the goals and priorities stated in the Fijian Government's National Development Plan and Fiji's commitment to the Sustainable Development Goals (SDGs). The plan outlines their strategic level priorities and key performance indicators for the next three to five years. On the other hand, cost plans are prepared yearly which details the major activities and budget requirements for the next financial year.

Theme 3: Policy Integration and Coordination

The Committee was informed that lead agencies should ensure that sector strategies, policies and plans are reviewed to harmonize it to the SDGs within the timelines indicated. Efforts should be made to revise enabling legislations (or put into place new legislation, if necessary) related policies and arrangements to increase the achievement of targets relating to SDGs in Government of Fiji NDP.

Through the national budget formulation process, all Government agencies are required to clearly inform

how their project and programme requests for national budget funding is aligned to the SDGs, national policies and ultimately their institutional mandates. This encourages Government agencies to mainstream the SDGs into their Strategic Plans and Annual Corporate Plans.

Further to this, the recommendation by OAG rightfully states the need to set the legislative, policy and institutional foundations for national SDG implementation. In Fiji, the SDGs have a distinct hierarchy. The Ministry considers the state of the present and our future through the lens of SDG 13 – Climate Action. Any progress made across the remaining 15 goals, will be undermined if they are unable to effectively manage and reduce the impacts of climate change. Climate inaction is a raging issue that stifles development progress, seeding inequality, and breeding insecurity.

In this regard, over the past 3 years the Ministry of Economy, has developed robust national documents such as the National Adaptation Plan, the Relocation and Displacement Guidelines, the NDC Implementation Roadmap and the Low Emissions Development Strategy (2018-2050) to help guide Government agencies develop sustainable and resilient programmes and projects while giving strategic indication to non-state actors about Fiji's sustainable development ambitions.

However, to truly operationalize these national documents, it is imperative that they are grounded in robust legislature that makes mandatory for all stakeholders, both state and non-state, to implement the SDGs as part of their core mandate.

In this regard, the Ministry of Economy is leading the development of the Climate Change Bill for which public consultations were completed on 31 December 2019 and the Bill is now undergoing amendments. The Bill aims to provide a comprehensive framework to guide national response to our commitment under SDG13 Climate Change and the Paris Agreement. By giving institutional mandate to respective Government agencies, setting out rules of procedures for national emissions trading and imposing green reporting requirements on the private sector amongst numerous other things, the Climate Change Bill is expected to have crosscutting cascading impacts on SDG 8 – Good Jobs and Economic Growth, SDG 9 – Innovation and Infrastructure, SDG 11 – Sustainable cities and communities, SDG 12 – Responsible Consumption, SDG 13 – Climate Action, SDG 14: Life Below Water and SDG 15: Life on Land.

The Ministry will also be developing a National Ocean Policy to strengthen national nexus between oceans and climate change while addressing SDG 14 – Life Below Water.

The Forestry Act is also being reviewed by the Ministry of Forestry.

Balancing Socio-economic Development with Environmental Conservation

The Committee was informed that the 17 SDGs are a set of complex development aspirations that demand absolute synergy between state and non-state agencies. Fiji is Small Island Developing State with ambitious development aspirations and finite resources. The need to sustain strong socio-economic development currently being enjoyed by the nation is important but it is equally crucial that we protect and preserve our pristine environment. This requires balancing development with conservation, prosperity and economic ambition.

It is challenging to ensure that Government agencies understand how to translate this balance into sustainable project and programme development. This requires technical expertise and training which, if mastered, ensures that Government agencies produce budget submissions that are truly aligned to the

SDGs.

Adequate, Sustainable and Predictable Resource Mobilisation

The Committee was informed that like all Small Island developing states, Fiji's fiscal space and limited market maturity does not allow the incremental cost of infusing sustainable development into conventional development. For example, the Climate Vulnerability Assessment for Fiji states that the nation requires approximately FJ \$9.3 billion over the next 10 years to fortify its development aspirations against the impacts of climate change. An additional FJ \$6 billion is required to transition our economy towards low carbon in line with Fiji's Nationally Determined Contributions under the Paris Agreement. This requires substantial mobilization of public, private, bilateral and multilateral resources. Therefore, limited development and climate finance, technology and capacity building is a major challenge for ensuring coherence amongst public policies and their implementation.

Theme 4: Creating ownership and engaging stakeholders

The Committee was informed that at present there are no specific timelines for the translation of the SDGs and NDP into vernacular language. All implementing agencies are responsible to coordinate with their sector specific stakeholders and they are effective in delivering services to the general populace.

The Fijian Government plans to use the National SDG Taskforce much more frequently to spur collaboration between state and non-state actors for SDG implementation. The Taskforce is mandated to guide Fiji's progress towards the SDGs and through it, the involvement of the private sector is extremely important to not only mobilise financial and technical resources but to also engage in innovative public-private-partnerships such as the Fiji Rural Electrification which is helping address SDG 7 – Renewable Energy.

Another great example of involving the private sector, including businesses, in sustainable development is the development of climate and disaster risk parametric insurance for low income households and small and medium enterprises in partnership with domestic private insurance sector. The likes of Fiji Care and Tower Insurance are seeing business sense in addressing climate and disaster risks to ensure sustainable development progress and expand their business portfolio. Such collaboration is expected to greatly add towards SDG1 – No Poverty, SDG 10 – Reduced Inequalities, SDG 11 – Sustainable Cities and Communities and of course SDG 13 – Climate action. Communication guidelines and materials will be developed once the mid-term review exercise has been completed.

Reaching the unreached and addressing last mile challenges in a number of SDGs, such as in education, health, access to electricity and to improve the quality of these services is critical. Further challenges include dealing with emerging issues of non-communicable diseases and the issues associated with rapid urbanisation including climate change risks.

Addressing data paucity and SDGs monitoring and evaluation will enable effective assessment of the progress made in the implementation including the identification of gaps and opportunities for improvement.

Theme 5: Inclusiveness and leaving no one Behind

The Committee was informed that the Ministry takes into account gender in all Budget Assessments but not to the extent to the level required by our international partners. For example, a few infrastructure

development projects that have been assessed based on gender impact analysis.

In realizing that gender based budgeting allows governments to recognise and address the needs of both men and women, the Fijian Government have already taken some steps to introduce gender budgeting in Fiji. The initiative began in 2017 when gender budgeting started through a bilateral cooperation with the Indonesian Government by establishing a training of trainers program on GRB to MWCPA. The program is currently underway looking at GRB legislation, policies and social obligations and one of the important measures taken is that Parliament has endorsed a standing order on gender scrutiny of legislation, that require a gender- based analysis to be used by parliamentary committees when scrutinizing legislation or undertaking their oversight functions.

Further progress has also been made through involvement of the Asian Development Bank (ADB) to undertake a Public Expenditure and Financial Accountability (PEFA) assessment of gender responsive budgeting against the PEFA GRB Framework. The GRB will be piloted in two (2) Ministries namely Ministry of Fisheries (MoF) and Ministry of Industry, Trade and Tourism (MITT). The focus is to integrate gender perspectives into the governance process to overcome differences or gaps in access and participation of development for both women and men. This will also aim towards realizing a more equitable budget by addressing issues of gender inequality.

In recognizing the progress towards implementing GRB in Fiji, the Ministry of Economy ('MoE') in conjunction with the MWCPA has incorporated GRB component into the existing Budget Submission Template which is expected to be introduced for the 2020-2021 FY Budget Process. In this regard, the MoE will also issue the Budget Strategy Circular incorporating the methodology for budget submissions in line with gender responsive budgeting principles and that require budget submissions. While it will be compulsory for the 2 pilot Ministries to fill in the GRB section of the budget template, this will not be the case for other Ministries and Departments, however they will be encouraged to fill this section if they wish to do so.

On the safe and clean drinking water by 2031, Chapter 3.1.1 of NDP states the Programmes and Projects targeted to achieve this goal. The goals, policies and strategies for clean and safe water in adequate quantities is also articulated in this chapter. The Government will undertake major investments to cater for long-term water supply needs. Resources will be allocated for construction of new water treatment plants, reticulation systems and reservoirs to increase supply capacity. An aggressive leakage reduction programme to eliminate water loss will be pursued. The Water Authority of Fiji (WAF) is exploring options for other new dam sites such as at Waibogi in the upper reaches of Navua River and the upper Waimanu River as well as in the Western Division to meet the increasing demand in the Nadi-to-Lautoka corridor. Options for enhanced rainwater harvesting and storage, industrial recycling, storm water management, aquifer management and the use of renewable energy technologies for desalination plants in remote locations will be explored on a continuing basis and implemented where feasible.

Similarly Chapter 3.1.2 of NDP articulates the goals and strategies for access to electricity by 2021 for every Fijian household. With substantial investments in electrification initiatives over the years, almost 90 percent of the population now has proper access to electricity. Lack of access in the unserved rural and maritime areas will be addressed over the next 5 years. To achieve the remaining 10 percent electrification by 2021, grid

extension programmes will be accelerated in Viti Levu, Vanua Levu, Ovalau and Taveuni. Government will continue with the policy to fully fund rural electrification projects. Further investments in renewable energy will be undertaken to ensure that over 80 percent of all electricity is generated from renewable sources by 2021. Concessional financing and grants for these projects will continue to be accessed under climate finance funds.

Chapter 1, 1 of NDP, highlights the overall strategies and initiatives for 'Inclusive Socio-economic Development'. Inclusive participation is essential to further improve the living standards of all Fijians. Sustained economic expansion supported by private sector investment and trade and the enhanced provision of social services and public goods will be paramount. A wide range of sector policies and programmes have been identified with detailed plans for implementation to achieve these goals and targets. Successful implementation of the overall strategy will support the realization of the Sustainable Development Goals (SDGs).

OBJECTIVE 2: RESOURCES AND CAPACITIES FOR IMPLEMENTING THE 2030 AGENDA

Funding for provisions of social services and capital expenditure are met through domestic revenues collected, accessing international financial resources and funding from multilateral development partners, private sector partnerships, and access to climate finance. Self-funding of projects undertaken by state owned enterprises and municipal councils complement funding from government.

Theme 1: Identification of needs and of the required resources and capacities for implementing the SDGs

The Committee was informed that Government budget is prepared on a yearly basis and funding is allocated in line with the NDP targets. Government is committed by ensuring that sufficient funding is provided for the achievement of the relevant SDG targets and funding for these targets are phased out over a period of time.

It is articulated in the financing plan for NDP. Costs are derived from Masterplans and Strategic Plans of each sector. For the first 5 years, the cost of implementing the NDP is around \$6-\$7 billion while the full 20 year plan will cost over \$50 billion. The financing decisions will be altered depending on fiscal and economic developments.

Funds are released based on project/programme performance on the ground in an efficient way.

Challenges:

- Financial resources
- Technology
- Human resources

Plans to Address the above:

- Secure innovative sources of finance – for infrastructure projects from the Green Climate Fund
- Map out technology needs and explore innovative approaches for technology transfer including investment by Government.

- Invest in HR and personnel to drive innovation and productivity.

Theme 2: Mobilizing Partnerships

The Committee was informed that Global Partnership is an essential component in enabling Fiji to fully realise the 2030 SDG Agenda. Partnership means collaboration with the private sector, non- government organisations and other development organisations to ensure that Fiji's future progress remains wide reaching and inclusive. Partnerships with Global Organisations entail a wide range of national objectives such as health, education, poverty alleviation, sanitation management, renewable energy, women empowerment and many other national priorities.

Engagements, monitoring and administration of partnerships with global organisations is well maintained on a project by project basis by each responsible line Ministry. It is the responsibility of the line Ministry signing on the respective Memorandum of Agreements and Memorandum of Understandings to ensure that projects are completed as defined in the underlying Grant Agreements.

Further, Official Development Assistance (Cash Grants) to be received from the various Donor Agencies are incorporated into the National Budget. Once funds are received and prior to the release of funds, the Ministry of Economy will verify and ensure that there is maximum compliance to the relevant grant agreements, policies and financial regulations. Also going forward this practice is continued as a form of monitoring and compliance check.

Through global partnership, there are numerous projects/initiatives which have directly assisted various vulnerable communities:

- Through partnerships with NGOs and the private sector, a number of rural villages now have access to piped water and proper sanitation management. The Rotary Pacific Water for Life Foundation has supported a number of rural communities through the construction of solar groundwater supply systems including installation of solar pump, water storage tanks, distribution channels and the construction of gender segregated sanitation facilities.
- The Fiji Access to Justice Project which is funded by the European Union and implemented by the UNDP Fiji office is another example of how donor agencies are acknowledging the importance of the LAC to empower vulnerable groups by ensuring their access to justice. The project supports access to justice for impoverished and vulnerable groups by empowering people to access legal rights and services through the relevant key justice institutions, in conjunction with strengthening those key justice institutions to improve service delivery. Some of the initiatives under the project include piloting online case management and e- filing systems.
- The Fijian Government is also working with the private sector, development partners, philanthropic organisations and NGOs to deliver affordable, clean and reliable energy to more than 300 rural communities living without electricity throughout Fiji. This is being done through the newly established Fiji Rural Electrification Fund (FREF).
- Fiji focuses on supporting inclusive economic growth to reduce poverty through targeted investments in private sector development and human development. Working in partnership with the Fijian Government, Australia's assistance provides support to Fiji's most vulnerable communities, including persons with

disabilities. Australia's major investments in education, effective governance, private sector development, and health and gender equality contribute towards achieving objectives in Fiji's National Development Plan and the 2030 Agenda for Sustainable Development Goals (SDGs).

The Fijian Government issued its first ever sovereign green bond in 2017 for a sum of FJ \$100 million dollars. By doing so, it became the first developing country and the first small island developing state to issue a sovereign green bond. The Bond was issued in four tranches at a coupon rate of 4% for a 5-year bond and 6.3% for 13-year bond.

There were seven projects financed using Green Bond proceeds that were selected after a robust technical selection process conducted by the Green Bond Steering Committee (Reserve Bank of Fiji, Ministry of Economy, Solicitor General's Office and the international Finance Corporation) in accordance with the Fiji Green Bond Framework and the Green Bond Prospectus.

Under Section 4 of the Green Bond Framework, the Fijian government is required to publish an annual newsletter until the end of the bond tenor period to inform investors about how the bond proceeds have been used and the socio-impact created. In this regard, the seven projects selected for the Fiji Sovereign Green Bond are elaborated on in detail in the 2018 Fiji Sovereign Green Bond Impact Report that is publicly available on the Ministry of Economy and the Reserve Bank of Fiji websites. We will provide the weblink to the committee secretariat should it be needed. The 2019 Impact Report has been prepared and awaiting management approval before it is published online.

Regarding the Fiji Development Bank (FDB), this question is unclear as FDB was not involved in the issuance of the Fiji Sovereign Green Bond. However, in the context of the Bank's role in climate change, in 2017, FDB became the first ever National Accredited Entity of its kind in the region to gain accreditation to the Green Climate Fund. This has enabled the Bank to access up to US \$10 million in funding per project from the Green Climate Fund for climate centric projects.

Fiji Development Bank

The Committee was informed that currently, the Bank is on the verge of submitting a Funding Proposal to the Green Climate Fund for an innovative Agro-Photovoltaic Project that is expected to have a total cost of US \$16 million project. The project will essentially entail climate resilient farming of cash crops on 6 hectares of land in Bureta, Ovalau and will place solar panels on top of the entire six hectares of farm land to produce renewable electricity that will feed into the Energy Fiji Limited power grid in Ovalau that is currently completely electrified using diesel generators. The project is expected to yield 101,417 kilograms of crops per year and generate 50% of Ovalau's power demand (4 to 5 megawatt) reduce approximately 67,935 tonnes of carbon dioxide over its 20 year lifespan. The agriculture revenue will go back to the farming consortium on Ovalau while the solar plant will be operated by a private company through a Power Purchase Agreement with Energy Fiji Limited. As of 2014, there were 9,100 people living in Ovalau.

Moreover, the Bank is also focused on developing green projects in the field of Electric Bus Transport, Climate Resilient Housing, Renewable Energy, Water Security and Reforestation.

It is not called the Green Climate Fund Bond. The official name for Fiji's green bond issuance is the 2018 Fiji Sovereign Green Bond. As mentioned, the Fiji Sovereign Green Bond was issued in four tranches between November 2017 and July 2018. By July 2018, all FJ \$100 million were utilized to fund the seven selected projects. 90.6% of proceeds were used for adaptation- centric projects and 9.4% were used on mitigation- centric projects - a true reflection of our national priorities. The beauty of this issuance was that it helped encourage unprecedented private-sector climate finance, expedited climate action at the national and subnational levels and ensured fiscal stability without compromising a debt to GDP targets.

Regarding mitigation, three of the seven projects were mitigation centric that included the installation of 2,635 new Solar Home Systems in rural areas across the country that do not have electricity. This is expected to reduce 1,038 tonnes of CO2 annually if diesel generators were used as alternative. The systems will produce more than 1.39 million kilo watts of solar energy per annum benefitting more than 13,175 rural people. The other projects were the REDD+ programme that saw the planting of 2,001 native tree species which has the potential to reduce 1,919 tonnes of CO2 per annum once grown enough. The final mitigation project funded was the Stage 2 Construction of the Naboro Landfill that is expected to ensure 500,000 tonnes of potential waste is properly disposed benefiting more than 300,000 people in the Nausori, Suva and Lami areas.

Rebuilding damaged infrastructure better and stronger after adverse climatic conditions is a priority area for the green bond issuance. In this regard, majority of the funds were used to rebuild more than 176 bridges, 1,177 roads, 1 jetty, 3 kilometres of coastal protection and 1,200 kilometres of road drainage. These infrastructures were damaged by tropical depressions, cyclones and floods.

The utilization of the Fiji Sovereign Green Bond proceeds was in accordance with the Financial Management Act 2004 as all seven projects were part of the 2017- 2018 National Budget that used normal Government procurement methods. This was reaffirmed by the independent audit done by KPMG, the result of which is published as part of the 2018 Fiji Sovereign Green Bond Impact Report.

Theme 3: Managing Risk

The Committee was informed that multilateral development partners continue to support various development priorities for the Fijian Government. In the 2018-2019 financial year a total of \$2.151M cash grant assistance has been received from Multilateral partners such as UNDP, UNICEF, World Bank and WHO for projects such as Fiji Ridge to Reef, Cross- Cutting Capacity Building Development Projects, REDD+ plus, water sanitation and hygiene and Child protection.

Further, funding is also provided on an ad-hoc basis, usually for unbudgeted projects. In the financial year 2018/2019 total ad-hoc cash assistance received from multilateral partners for the various projects had a total value of \$5.473 million. Multilateral partners such as UNICEF and GGGI have also provided aid-in kind assistance in various aspects such as assistance for child protection programmes, water and sanitation programmes, health nutrition and HIV and aids programme and technical advice, capacity and renewable energy and climate resilience projects. Total aid-in kind assistance for the year 2018/2019 from multilateral partners had a total value of \$1.511 million.

The National Disaster Risk Management Act review is still in process. The NDMO should be presenting a revised draft in March or thereabout.

OBJECTIVE 3: MONITORING, FOLLOW-UP, REVIEW AND REPORTING ON PROGRESS OF IMPLEMENTATION OF THE 2030 AGENDA

The Audit noted that Monitoring is conducted using existing mechanisms such as monitoring budget planning and utilization and progress of capital implementation to gauge progress of implementation of the NDP. The responsibility for monitoring the SDG indicators lies with the Ministry of Economy. It is responsible for monitoring the SDG and maintains the SDG dashboard which was developed with the assistance of a consultant who was engaged with funding from UNDP. Of the 80 SDG indicators, the MoE monitors progress of implementation of only 39 SDG indicators whilst monitoring on progress of implementation of the remaining indicators could not be determined due to lack of established methodology or insufficient data. The Ministry of Economy is yet to report on progress of implementation of the SDGs at the national and the global level.

The Committee was informed that the Ministries do not submit quarterly report on NDP however they submit quarterly reports on their Budget which is aligned to the NDP. On 20/01/20, MoE had issued a Circular to all Ministries/ Department to report on their progress of the 5 – Year National Development Plan. The objectives of the mid-term review are to:

- (i) assess progress made in implementing policies contained in the NDP, identify implementation constraints, and modify policy objectives and Key Performance Indicators where necessary to achieve government's objectives; and
- (ii) assess progress made in the implementation of policies announced through the annual budgets, identify constraints encountered and recommend measures to address them.

Theme 1: Responsibilities, Mechanisms and processes for monitoring, follow up, review and reporting

The Committee was informed that the Ministry of Economy has always welcomed the external provided by the OAG and the positive discussions at the PAC. This has assisted in improving financial processes and monitoring and evaluation to ensure state finances are used in an efficient and effective way.

Before answering this question, allow me to give you a brief introduction of the Green Climate Fund and the technical jargons associated with it. These jargons will be part of our response to this question.

The GCF is one of the largest multilateral sources of climate finance in the world with a total funding capacity of over US \$10.3 billion. It helps developing countries adapt to the impacts of climate change and reduce their greenhouse gas emissions in line with national priorities. Countries that are party to the United Nations Framework Convention on Climate Change have National Designated Authorities ('NDA') who are the main focal point to the GCF. Countries can access GCF funding through Direct Access Entities ('DAE') that are accredited to the GCF after being nominated by the NDA.

Accreditation of the Fiji Development Bank

The Committee was informed that as mentioned earlier, with the accreditation of the Fiji Development Bank as the National Accredited Entity to the GCF, the Bank has direct access to funding of up to US \$10 million

dollars per project. The Bank has already established a dedicated GCF Unit that is looking towards greening the Bank's portfolio and fully embracing its role as the National Accredited Entity. The Bank is already working on 6 projects as part of its project pipeline. The most advanced of which a US\$16 million agro-photovoltaic project is mentioned above.

Country Programme – Assistance from the Green Climate Fund

The Committee was informed that to enhance national coordination and access to the Green Climate Fund, the Fijian Government has partnered with the World Resources Institute to develop a Climate Finance Country Programme and to assess climate finance opportunities and allocations amongst priority development and climate actions needs identified in the National Development Plan, Low Emissions Development Strategy, National Adaptation Plan and the Nationally Determined Contribution Roadmap.

The Country Programme will give strategic direction to project developers and development partners about key focus areas in which Fiji will be accessing the Green Climate Fund. These focus areas are being identified through a Climate Finance Gap Assessment conducted by the World Resources Institute which is currently being finalised. The Gap Assessment will be made available to key stakeholders for validation throughout February 2020 and work on the Country Programme will begin from March 2020.

Readiness Programme

The Committee was informed that Fiji secured a "Readiness and Preparatory Support Programme" (Readiness Programme) Funding support project worth USD 1 million from the Green Climate Fund ('GCF') in October this year. Readiness funding helps the NDA and the DAE to be successful and more impactful in their engagement with the GCF. It builds country ownership and clarity regarding climate priorities that require financial support beyond national budgetary allocations. Ultimately, Readiness funding aims to assist countries to access GCF finance and to maximise the benefits from the implementation of priority climate actions.

Fiji's Readiness funding will assist the Ministry of Economy, in its capacity as the NDA, to establish national coordination mechanisms to govern and manage climate finance through set guidelines and operating procedures. The funding is expected to also assist in institutional and capacity building for Fiji Development Bank ('FDB') in its role as the DAE. A detailed gap assessment will also be funded through the Readiness programme to prepare Ministry of Economy to become the second DAE similar to the FDB. This is envisaged to enable greater access to GCF.

Ministry of Economy Accreditation

The Committee was informed that FDB has an access capacity of US \$10 million per project from the GCF with strict conditions on environmental and social safeguards given its relatively smaller financial portfolio. Through the Readiness Programme, the MoE accreditation will target a medium to large scale funding capacity of more than US \$50 million per project with more relaxed conditions. The focus will be on large scale projects that are beyond the niche of FDB with a particular focus on adaptation centric projects for which business cases are difficult to develop.

A strengthening of the enabling environment for implementing SDGs, and enhancing the dialogue among and collaboration with domestic, regional, and international stakeholders in implementing SDGs is critical. This is particularly important for mobilising finance for achieving the SDGs and addressing capacity issues. It

is equally important to maintain and accelerate economic growth that is sustainable, inclusive, and which generates jobs and contributes to building economic resilience.

Theme 2: Performance Indicators and Data

The Committee was informed that KPIs have been identified in specific chapters of NDP for each sector. Ministries need to use KPIs when they develop their Ministry/ or Sector Strategic Plans.

The VNR exercise undertaken in 2019 revealed serious data gaps for:

- SDG 11 Sustainable cities and communities
- SDG 12 Sustainable consumption and production
- SDG 13 Climate action
- SDG 14 Life below water

Project level data is available with the Ministry of Economy and will inform the mid- term review of the NDP.

The Ministry of Economy is the central government agency and is responsible for national development planning and the sustainable development agenda. We recognize that the sustainable development agenda is an integrated one and there will indeed be more than one agency responsible to deliver on a particular SDG target. The NDP processes allow for policy coherence and thereby implementation.

In mid- 2018 Fiji started a comprehensive data collection process through the support of United Nations Development Programme to establish the SDG baseline status in Fiji and a SDGs M&E system, and enable SDGs M&E. The SDGs global indicator framework was the basis of this work which was prepared by the Inter- Agency and Expert Group on SDG Indicators.

The framework includes 232 SDGs global indicators, and the SDGs Pacific Indicator framework developed by the Pacific SDGs Taskforce as part of the Pacific Roadmap for Sustainable Development that includes 132 Pacific Sustainable Development Indicators.

The work of baseline data collection involved baseline data collection and baseline data assessment through desktop review of both qualitative and quantitative secondary data available within Government agencies, non-Government organizations (NGOs), and academia, and consultation with government agencies and NGOs

Theme 3: Communications to Stakeholders

The Committee was informed that the TOR is a living document and is reviewed from time to time to articulate the inputs required from the task force members. In 2018 – 2019 the TOR required the task force to consider the draft VNR and validate the findings.

The High-level Political Forum, United Nations central platform for follow-up and review of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, provides for the full and effective participation of all States Members of the United Nations and States members of specialized agencies.

In 2019, 47 countries (7 for the second time) have volunteered to present their national voluntary reviews to

the HLPPF.

The meeting of the high-level political forum on sustainable development in 2019 convened under the auspices of the Economic and Social Council will be held from Tuesday, 9 July, to Thursday, 18 July 2019; including the three-day ministerial meeting of the forum from Tuesday, 16 July, to Thursday, 18 July 2019.

The theme was "*Empowering people and ensuring inclusiveness and equality*". The set of goals that were reviewed in depth include the following:

- Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 10: Reduce inequality within and among countries
- Goal 13: Take urgent action to combat climate change and its impacts
- Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

There was successful presentation of the VNR in collaboration with the Fiji Disabled Society representative. Recognition of the mainstreaming of the SDGs into the 3 arms of the state: the Parliament, the Judiciary and the Executive including the innovation in policy and financing for addressing socio-economic development issues.

Fiji also learned from the experiences of other countries that presented their VNR at the UN.

RECOMMENDATIONS: FIRST QUADRENNIAL PACIFIC SUSTAINABLE DEVELOPMENT 2018 REPORT

The Committee noted the following recommendations from the above stated report.

Recommendation 1

The Committee was informed that the Fijian Civil Service has implemented an Open Merit Recruitment and Selection process for staff recruitment and selection which appoints people purely on their ability to do the job, assessed against objective selection criteria which does not discriminate against or give preference to any group or individual.

The Fiji National Disability Policy 2008-2018 provides a framework for developing a more inclusive society, creating greater awareness of the needs of people with disabilities and removing potential barriers that may hinder the full socio-economic participation of people with disabilities.

The Fiji National Gender Policy 2014 is evidence of Fiji's commitment to promoting gender equality in Fiji. Reforms to the taxation system, including a reduction in Value Added Tax (VAT) from 15% to 9% and an increase in the income tax threshold from FJ\$16,000 to FJ\$30,000 have reduced overall costs to disadvantaged Fijians, while significantly increasing the take-home pay for low-income earners.

The Pacific Financial Inclusion Programme (PFIP), administered by the UNCapital Development Fund and the United Nations Development Programme through bilateral partner funding, has helped more than two million low-income Pacific Islanders gain access to formal financial services and financial education.

In 2018, the Fijian Government introduced Parenthood Assistance Payments whereby mothers from families with a household income below \$30,000 are granted FJ \$1,000 up the birth of a child, whether it be the first, second, third or even tenth. Furthermore, the Government also increased paid maternity leave from 84 working days to 98 working days, adding another two weeks for mothers to take off from work in the preparation for the birth and the care of their child.

Since 2015, the Fijian Government in partnership and support from various stakeholders including civil society, women's rights movement and faith-based organisations, has enacted, reviewed and introduced several key piece of legislation, policies and strategic initiatives.

Recommendation 2

The Committee was informed that some progress has been made over the years to increase the finances available for health. Government financing remains the dominant source of funds accounting for approximately 64% of total Current Health Expenditure (CHE) in 2016. Large public investment in health means that out-of-pocket (OOP) expenditure for health remains relatively low at 21% of total CHE compared to 15% in 2015.

Thus, to better track catastrophic health expenditure, the MoHMS in collaboration with the National Statistics Office and the World Health Organisation, will look into strategies to reduce the burden of out-of-pocket spending for households.

There is greater accessibility of services for the poor, which is a priority in terms of service delivery. This issue has been further strengthened through a decentralization of services for general outpatients to the health centres in the subdivisions, which has brought services closer to peri-urban and rural populated areas thus improving accessibility.

In January 2019, the Fijian Government formalised a public private partnership agreement in its quest to increase private sector participation in improving the efficiency and level of health services made available in Fiji. Aspen Medical from Australia was the winning bidder under this new arrangement and will fully take over operations at the Lautoka and Ba hospitals by early 2020. The project will not only significantly improve access to specialist services available in the country but also reduce the cost of overseas patient referrals due to services such as clinical services, admitted acute care, non-admitted care, and emergency care.

Recommendation 3

The Committee was informed that in response to the national need to build a resilient Fiji, the Fijian Government has recently prepared a National Adaptation Plan (NAP). Through the NAP, Fiji has identified 160 adaptation measures to be prioritised over the five-year period of the NAP. The actions identified not only have benefits for climate resilience, but also offer additional benefits in terms of development outcomes—for example, developing climate-resilient jetties and landings on outer islands where needed as well as supporting road infrastructure.

The Fijian Government spending on investments to strengthen resilience has significantly increased, from 3.74 per cent of the total budget in 2013 to 9.85 per cent in the 2016-2017 fiscal years (CVA, 2017). This has been invested in the rehabilitating flood-retention dams, constructing protection barriers against coastal erosion, conducting environment impact assessments to mitigate flood risks, strengthening the early warning system and installing water-level and rainfall telemetry instruments in all hydrological stations to effectively monitor the river levels. Amid these different approaches, communities have also had to be relocated due to rising sea levels, with the first-ever relocation of an entire village occurring in 2014. To ensure that relocation efforts are well guided, Fiji devised a Planned Relocation Guideline in 2018, and Displacement Guidelines in 2019. This will enable the Fijian Government to effectively respond to climate-induced relocation and displacement.

Fiji has also partnered with the Asian Development Bank and the Green Climate Fund to fund an Urban Water Supply and Wastewater Management Investment Program benefiting more than 300,000 Fijians living in the Greater Suva Area. The project is expected to be completed in July 2025 with a total investment of US \$405 million. This project exemplifies the urgent need to boost the resilience of our water supply and wastewater infrastructure to withstand severe weather events. This is the largest climate investment project in Fiji and sets a promising tone for more blended-funding initiatives in the future.

The Fijian Government has also established a Ministry of Waterways and Environment to address the growing threat that flooding poses to Fijian communities, a threat that is projected to worsen due to the effects of climate change. The Ministry is responsible for the maintenance of drainage systems and management of waterways in Fiji, including creeks, tributaries and rivers. In its work to improve storm-water management, mitigate flooding and improve irrigation, the Ministry will also incorporate aspects of hydrological forecasting, drainage surveillance and realignment, waterway dredging and river-embankment management.

Fiji has completed a Climate Public Expenditure and Institutions Review (CPEIR) 2015, to examine how public and private expenditures related to climate change and disaster risk management are integrated into national budgetary processes and how this process can be improved to attract more climate finance from both domestic and international sources.

Fiji is also seeking to increase climate financing from both domestic and international sources. Domestically, Fiji has increased the rate of its Environment & Climate Adaptation Levy (ECAL) from 6 per cent to 10 per cent to mobilise more finance for climate change-related projects.

Recommendation 4

The Committee was informed that attractive tax incentives have been provided in the 2019-2020 Budget to promote proper solid waste management. For example, companies that engage in waste recycling in Naboro are eligible for a tax holiday of five years, seven years or 10 years, depending on the level of capital investment. In addition, all raw materials, plant, machinery and equipment (including spare parts) required to establish the business will be exempt from import duty.

High-density plastic bags (less than 50 microns thick) will be banned from 1 January 2020 onwards, while the Environment and Climate Adaptation Levy (ECAL) on low-density plastic bags will be increased from 20 cents to 50 cents per bag — an intentionally progressive and staggered approach that is meant to change behaviour in a sustainable way. Furthermore, duty on paper/ bamboo straws, paper containers, cups and plates, and biodegradable kitchenware and tableware will be reduced to 0%.

Illegal dumping and burning of waste have historically posed a problem in Fiji. Recent amendments to the Litter Decree 2010 have helped deter littering through the imposition of on-the-spot fines. The Fijian Government is actively working with development partners to strengthen the management of solid waste is to promote greater recycling efforts, particularly through the planned introduction of a container deposit scheme, which will help reduce the volume of recyclables that enter the landfill. These solutions are being forged despite Fiji lacking the economies of scale that enable efficient waste management in larger countries.

Recommendation 5

The Committee was informed that in 2017 the volume of foreign private flows amounted to 11.3% of GDP, dropping from 16.5% of GDP in 2010. This is mainly due to the decline in foreign investment in recent years,

while the volume of remittance has been increasing. This flow represents the biggest opportunity for Fiji to increase its finance available for development from external sources. Fiji has already put in place tax incentives, established economic zones, and simplified business registration processes to encourage FDI and will be reviewing the foreign investment legislation to address barriers and encourage FDI. With initiatives in place to promote remittances, further work on policy and financial products space is required including the need to develop programs to utilise Fiji diaspora's human capital and business networks developed while working overseas.

RECOMMENDATIONS

- 1. The Committee recommends that the Ministries and Departments need to have more advocacy and awareness to the grassroots people so that they are effectively contribute in the implementation of the 17 SDGs.**
- 2. The Committee recommends that the SDGs targets are translated into vernacular languages to educate everyone include the grassroots people especially to those living in the rural areas and outer islands so that 'no one is left behind'**
- 3. The Committee recommends that Donor agencies to be involved in the production of SDGs pamphlets for people and the awareness aspect of these 17 SDGs Agenda.**

CONCLUSION

To sum up, the Public Accounts Committees notes the general audit issues identified which needs to be strengthened and improved in terms of the necessary actions required by the Ministry of Economy so that all stakeholders effectively contributes on the implementation process of the 17 SDGs.

In this regard, the Committee hopes that the Ministry of Economy seriously looks into the recommendations outlined so that issues highlighted are addressed in timely manner as another round of audit will be carried out by the Office of the Auditor General to gauge the progress of the implementation of the 17 SDGs by Government and how it coordinates holistically with all other stakeholders to contribute in the implementation.

We, the undersigned Members of the Standing Committee on Public Accounts agree with the contents of this report:



.....
Hon. Alvick Maharaj
(Chairperson)



.....
Hon. Joseph Nand
(Deputy Chairperson)



.....
Hon. Vijendra Prakash
(Member)



.....
Hon. Ratu Naiqama Lalabalavu
(Member)



.....
Hon. Aseri Radrodoro
(Member)

APPENDICES

**APPENDIX 1:
PUBLIC ACCOUNTS COMMITTEE QUESTIONS**

QUESTIONS

Performance Audit of Preparedness for Implementation of Sustainable Development Goals (Parliamentary Paper No. 63 of 2019)

1.0 INTRODUCTION

- 1.1. Please explain to the Committee why the OAG conducted an audit on the National Development Plan (NDP) Report which was not launched by Government in Parliament?
- 1.2. Please provide updates on those activities listed in page (1) that needs to be undertaken in preparing, implementing, monitoring and reporting progress on the implementation of the SDGs?

2.0 OVERVIEW

- 2.1. Can you quantify the number of stakeholders involved?

3.0 INTEGRATION OF THE 2030 AGENDA INTO THE NATIONAL CONTEXT

3.1. Theme 1: Integration of the SDGs into national planning strategies, policies and processes

- a) Please explain to the Committee the key performance indicators from 2015 to 2021 tabulated on figure 3.2 page 8?
- b) How were the sustainable goals prioritized in the NDP selected?
- c) Explain the status of the key thematic areas under the three (3) pillars of environment, social and economic provided on page 10.

3.2. Theme 2: Alignment of budget, policies and programmes to the SDGs

- a) Can the Ministry explain on whether the recommendation on page 12 has been implemented and complied with by the Ministries?

3.3. Theme 3: Policy integration and coordination

- a) Has the Ministry of Economy implemented the recommendations listed in page 16?
- b) What challenges does the Ministry face with respect to ensuring coherence among public policies, so that actions and specific objectives of the interventions undertaken by various entities are aligned?

3.4. Theme 4: Creating ownership and engaging stakeholders

- a) Are there any timelines for SDGs and NDP to be translated into vernacular language?

- b) How effective are the implementers in facilitating and coordinating with relevant stakeholder agencies?
- c) What is the plan to include businesses in the implementation of SDGs?
- d) Is there a plan to develop communication guidelines to assist implementers in deciding the strategic priorities for public engagements and in addressing challenges for engagement with citizens?
- e) What are other challenges have been identified?

3.5. Theme 5: Inclusiveness and leaving no one behind

- a) Can the Ministry enlighten the Committee on whether the 2019-2020 national budgets is gender based budgeting? If so, please explain. If not, why not.
- b) Specify what plans for all Fijians to have a safe and clean drinking water by 2031 and access to electricity by 2021?
- c) What is the strategy on inclusiveness in economic participation and contribution to the economy?
- d) What is the Fiji's current population to date?

4.0 OBJECTIVE 2 – RESOURCES AND CAPACITIES FOR IMPLEMENTING THE 2030 AGENDA

4.1. Theme 1: Identification of needs and of the required resources and capacities for implementing the SDGs

- a) Please advise whether the budget allocation from each Ministry provided in table 4.1 is sufficient to complete those SDGs related programmes.
- b) Similarly for those new and ongoing initiatives, is there a completion date for these infrastructural projects or will it be an ongoing exercise? Please provide a brief on this.
- c) Is there a planned estimated cost for implementing the first 5 years of the NDP? If yes, how is the cost divided or distributed? (i.e. basis of apportionment of costs)
- d) How effective/efficient is the funding release system to ensure that projects identified are implemented within the targeted timelines?
- e) What challenges are there (in terms of resourcing and capacities) in implementing the 2030 Agenda and how does the Ministry plan to address the challenges?

4.2. Theme 2: Mobilizing Partnerships

- a) Please advise who is or will be responsible for monitoring and administering the partnerships between Global Organisations and local target groups.
- b) How many of those targeted groups have assisted Communities at the 'grass root level' so far?

- c) Please elaborate on the Green Bond Project implemented so far and advise on the role of Fiji Development Bank with other international organization.
- d) Please explain on the use and utilization of the Green Climate Fund Bond especially in addressing the mitigation and preparation of infrastructure to be climate change resilient.
- e) Will the utilization of this Bond be in compliance with the Financial Management Act 2004?

4.3. **Theme 3: Managing Risk**

- a) What is current progress on the total value of Overseas Development Assistance to Fiji in terms of the respective multilateral development partners?
- b) Has the review of the National Disaster Risk Management Act been finalized? If not, why not?
- c) What other policies and legislations which are in the process of review in order to be in line with the achievements of the SDGs? Please provide a list.

5.0 MONITORING, FOLLOW-UP, REVIEW AND REPORTING ON PROGRESS OF IMPLEMENTATION OF THE 2030 AGENDA

5.1 Please provide an update whether quarterly reports has been submitted by the relevant Ministries to MoE on the implementation of the NDP at the operational and national levels

5.2 **Theme 1: Responsibilities, Mechanisms and processes for monitoring, follow up, review and reporting**

- a) What actions have been taken by the Ministry of Economy not submitted their reports on time?
- b) Audit issues highlighted in the Auditor General's Report by the Public Accounts Committee, how has the Ministry of Economy addressed this in their monitoring and evaluation process?
- c) With the stringent process requirements for accessing the Green Climate Fund (GCF), and the recurring issues of monitoring, planning, budgeting, programming highlighted in the Auditor General's Report, how will the Ministry of Economy ensure that Government of Fiji ('GoF') access this fund?
- d) What challenges are being faced by the Ministry in effectively carrying out its role of monitoring, follow-up, review and reporting on progress of implementation of the 2030 Agenda?

5.3 **Theme 2: Performance Indicators and Data**

- a) What are the national performance indicators established and how are they linked to the strategic planning, budgeting, policy analysis, programme evaluation and decision making?
- b) Is there sufficient availability of reliable and relevant data to support policy performance reports?

- c) Explain how the Ministry of Economy will implement the recommendation provided by the Auditor-General on page. 33 of the audit report.
- d) Can the Ministry of Economy inform the Committee the progress of collection of data for SDGs indicators from the responsible agencies and whether this has been strictly complied?

5.4 **Theme 3: Communications to Stakeholders**

- a) Please advise whether the ToR for the SDG Task Force has been reviewed?
- b) Please provide a brief on the outcomes of the HLPF Meeting held in July 2019 on Fiji's National Voluntary Report on the implementation of the SDGs
- c) Please advise whether MoE has implemented all recommendations provided in the *First Quadrennial Pacific Sustainable Development 2018 Report*.
- d) What plans are there to inform Parliament on the progress of the implementation of the SDGs?

APPENDIX 2:
Witnesses, Verbatim Reports and Published
Written Evidences

Witnesses & Verbatim Reports

There were a number of witnesses that had appeared before the Public Accounts Committee. Copies of the verbatim report can be viewed from the Parliament website on the link provided: <http://www.parliament.gov.fj/committees/standing-committee-on-public-accounts/>

Published Written Evidences

Copies of the written evidences and supplementary responses from the 4 Municipal Councils is available on the parliament website on the link provided: <http://www.parliament.gov.fj/committees/standing-committee-on-public-accounts/>