



STANDING COMMITTEE ON ECONOMIC AFFAIRS

Consolidated Review Report of the Fiji Commerce Commission 2016-17 and Fijian Competition and Consumer Commission 2017- 18 Annual Reports



PARLIAMENT OF THE REPUBLIC OF FIJI
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Chairperson's Foreword

The Standing Committee on Economic Affairs is pleased to submit to Parliament, the Consolidated Review Report of the Fiji Commerce Commission 2016-17 and Fijian Competition and Consumer Commission 2017-18 Annual Reports.

The period of reports under review carried great significance to the organization as it was the year when Fiji Commerce Commission was officially re-branded as Fijian Competition and Consumer Commission. FCCC plays a significant role in protecting consumer rights and promoting fair competition amongst Fijian businesses and the Committee commended the team at FCCC for successfully launching its five years strategic plan.

During its deliberations, the Committee noted the various activities undertaken by FCCC during the periods under review which included stakeholder engagements, ongoing awareness sessions, and trader inspections and so on. While the Committee appreciates the data provided by FCCC on their activities and programmes, it made recommendations for data trend of at least five years be included into their future reports for better analysis.

The Committee noted that despite the ongoing awareness sessions, complaints were still being received by FCCC on various issues such as trader non-compliance or landlord and tenant issues. The Committee believes that formulation of more effective awareness strategies including collaboration with various stakeholders such as CCF, FIU, MITT's Department of Co-operatives and Ministry of iTaukei Affairs as well as preparing and disseminating information packages regularly for all new and existing businesses on the various requirements under the Act would be beneficial.

Furthermore, the Committee is aware that FCCC initiated its work towards the proposed draft Landlords and Tenants Bill. Given the continuous issues surrounding rent complaints, the Committee recommends that Stakeholder concerns be thoroughly considered and looks forward to the progress of the proposed Bill.

I would like to take this opportunity to extend our appreciation to the CEO and his team members for being prompt in answering the various queries and questions raised by the Committee.

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

On behalf of the Standing Committee on Economic Affairs, I commend the Review of the Fiji Commerce Commission 2016-17 and Fijian Competition and Consumer Commission 2017-18 Annual Reports to Parliament.

A handwritten signature in blue ink, appearing to read 'V Nath'.

Chairperson – Hon. Vijay Nath

Acronyms

ADB	Asian Development Bank
MCTTT	Ministry of Commerce Trade and Transport
FFIU	Fiji Financial Intelligence Unit
CCF	Consumer Council of Fiji
SDG	Sustainable Development Goals

1.0 Introduction

1.1 Background

The Fiji Commerce Commission (FCC) underwent an official name change during the 2017-18 financial year and is now referred to as the Fijian Competition and Consumer Commission (FCCC). This official renaming of the organization was accompanied with additional powers under the FCCC Act 2010.

The FCCC is an independent statutory body that promotes effective competition and informed markets, encourages fair trading, protects consumers and businesses from restrictive practices, controls prices of regulated industries and other markets where competition is lessened or limited.

The primary responsibility of FCCC is to ensure compliance of consumer protection laws contained in Fijian Competition and Consumer Commission Act 2010.

Committee Remit and Composition

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

2.0 Findings and Recommendations

1. The Committee noted the official name change of the organization from FCC to FCCC during the period under review and would like to applaud the team at FCCC for the successful transformation and re-branding of the organization.
2. The Committee noted that FCCC engaged the Asian Development Bank (ADB) to undertake the development of its five year Strategic Plan during the 2016/17 financial year which was finalized and launched during the 2017/18 period. The Committee looks forward to the implementation and reporting against the stated strategic objectives.
3. The Committee appreciates the data provided by FCCC on their current year activities and recommends for data trend of at least five years be included into their future reports for better analysis.
4. The Committee is aware that FCCC initiated its work towards the proposed draft Landlords and Tenants Bill. Given the continuous issues surrounding rent complaints, the Committee recommends that Stakeholder concerns be thoroughly considered and looks forward to the progress of the proposed Bill.
5. The Committee is aware of FCCC's ongoing initiatives of tackling various enforcement challenges. The Committee recommends the formulation of more effective awareness strategies including collaboration with various stakeholders such as CCF, FIU, MCTTT's Department of Co-operatives and Ministry of iTaukei Affairs. In addition, it is further recommended that information packages be prepared and disseminated regularly for all new and existing businesses on the various requirements under the Act.

3.0 Sustainable Development Goals

FCCC's strategic goals align with SDG SDGs 1, 5, 7, 9, 11, 12 and 17.1

SDG 1 – No Poverty

Targets 1.4 and 1.B touches on equal rights to economic resources and creating sound policy frameworks at the national level. FCCC's work towards addressing anti-competitive conduct, and relationships forged with other agencies locally contributes towards SDG 1. Its regulatory work also ensures a certain degree of equal rights and access to economic resources.

SDG 7 – Affordable and Clean Energy

FCCC has technical inspections and licensing functions that are related to the targets of this SDG. FCCC also regulate Electricity Tariff Rates to ensure pricing is economically justified and applied in an efficient manner.

SDG 9 – Industry, Innovation and Infrastructure

Strategic Goal 4 of the FCCC is to be an independent and expert body, and the work of the FCCC in conducting independent assessments, national price reviews and market studies point to this. This contributes to target 9.5 of SDG 9 on enhancing research of industrial sectors. It additionally contributes towards target 9.C of the same goal, on increasing access to information.

SDG 11 – Sustainable Cities and Communities

FCCC monitors compliance to the Rent Freeze Order pertinent to Fiji's residential rental market. Through the years, it has resolved a number of complaints received from tenants and landlords and believe that as an organisation, this parcel of work responds to SDG 11's target 11.1 on ensuring access to adequate, safe and affordable housing.

Whilst the Committee appreciates FCCC's contributions towards the Sustainable Development Goals, it recommends that future Annual Reports be inclusive of FCCC's SDG achievements to enable the Committee to track its progress.

¹ Sustainable Development Goals:
The 2017-2018 Fijian Competition And Consumer Commission Annual Report

4.0 Conclusion

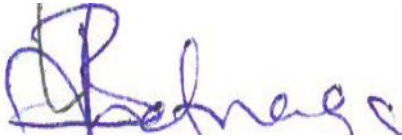
To conclude, the Committee is satisfied with the overall performance of FCCC during the period under review.

The Committee applauds the successful completion of the Strategic Plan and the various reviews undertaken for the benefit of consumers and looks forward to further progress on the proposed Landlords & Tenants Bill.

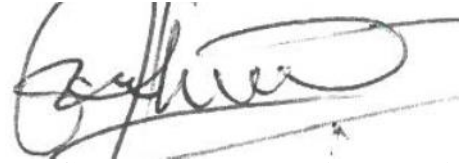
Members Signature



Hon. Vijay Nath (Chairperson)



Hon. Veena Bhatnagar (Deputy Chairperson)



Hon. George Vignathan (Member)



Hon. Inosi Kuridrani (Member)



Hon. Ro Filipe Tuisawau (Member)

ANNEXURE

THE FIJIAN COMPETITION AND CONSUMER COMMISSION

WRITTEN SUBMISSION FOR:
THE 2016-2017 FIJI COMMERCE COMMISSION ANNUAL REPORT

SUBMITTED TO:
THE PARLIAMENTARY STANDING COMMITTEE ON ECONOMIC AFFAIRS
GOVERNMENT OF THE REPUBLIC OF THE FIJI ISLANDS

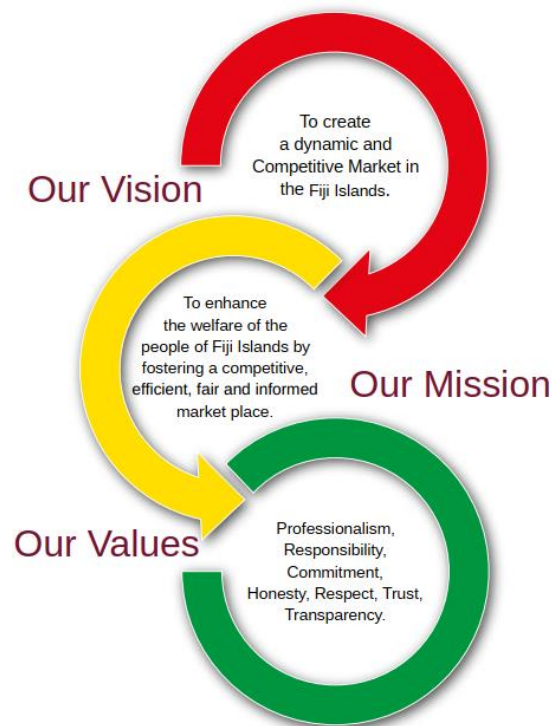
Thursday 19th August 2021

Overview

The Fiji Commerce Commission (FCC) is the nations' competition, consumer and regulatory agency. Our purpose is to achieve the best possible outcomes in competitive and regulated markets for the long-term benefit of all Fijians. We are responsible for enforcing laws relating to competition, fair trading, consumer protection, and have regulatory responsibilities in the electricity, gas and liquefied petroleum gas (LPG), telecommunications, postal, shipping and airport sectors. Competition is a key driver for delivering greater productivity and growth in the economy. It incentivises firms to innovate, and rewards efficiencies in business. Through regulation we seek to achieve the same outcomes in markets with little or no competition. An effective competition agency and regulator helps to ensure:

- there is a level playing field for competitors – the rules are known and players are monitored;
- market power is not abused;
- the level of competition in a market is not substantially lessened by amalgamation;
- consumers are protected, and clear and accurate information is provided to them; and,
- regulated businesses face incentives to provide long-term benefits for consumers.

Our *Vision*, *Mission* and *Values* reflect FCC's overarching goals and encompassing objectives:



Effectively, the following Departments work towards each of the objectives of the overarching goals:

- Regulated Industries;
- Price Control and Monitoring;
- Fair Trading and Rents;
- Legal Department;
- Human Resources;
- Corporate and Finance;

Details of FCC's organisation structure can be found of pages **6, 7 and 8** of the Annual Report.

The Commission Board

The Board of Commissioners are appointed pursuant to Section 8 of the Commerce Commission Act. The Minister appoints the Board of Commissioners based on his or her knowledge or experience in industry, commerce, economics, law, accountancy, public administration, governance or consumers affairs.

The Board of Commissioners are:

- | | | |
|---------------------------|---|--------------------|
| a. Ms. Joann Young | - | Chairperson |
| b. Mr. Firoz Ghazali | - | Deputy Chairperson |
| c. Mr. Isikeli Tikoduadua | - | Commissioner |
| d. Ms. Lyanne Vaurasi | - | Commissioner |
| e. Mr. Vimlesh Sagar | - | Commissioner |
| f. Mr. Romil Patel | - | Commissioner |

Highlights & Achievements

- The FCC's reputation as a fair and competent regulator is tied to the overall performance of the organisation and each decision made by it. During the 2016-2017 Financial Year, we continued to seek new ways to improve our organisational capabilities and ensure our systems and structure support our staff, whether through access to training and international experts or making environmental adjustments that aid productivity.
- One of the significant activities undertaken during the year was the organizational restructure and capacity strengthening of FCC. This was imperative in order to align the work undertaken by the teams to be reflected in the Departmental name and manpower which is instrumental in achieving the objectives and mission of the FCC.

- Some of the notable changes include the Fair Trading and Rents Section being renamed to Competition and Compliance Department and Risk Management and Governance being included under the ambit of the Legal Department. As such, FCC's work for this year and years to come, will be driven by the following Departments:
 - Regulated Industries
 - Price Control and Monitoring
 - Competition and Compliance
 - Legal, Risk Management and Governance
 - Human Resources
 - Corporate and Finance

- FCC also embarked on a transformation journey where we engaged the services of Asian Development Bank (ADB) to undertake the development of our first ever Strategic Plan. This journey is to pave the path for the organization in a manner which proliferates the FCC vision and mission. This plan is expected to be finalized by early 2018.

Regulated Industries Department Highlights:

1. Conducted quarterly fuel and LPG price reviews. The quarterly assessment was to determine retail prices of fuel and LPG based on global trends. The FCC further partook in the Fuel Standards Review with the intention to promote environmentally friendly fuel in Fiji;

2. Fuel drum sales was factored in the respective Order as submissions received from fuel drum distributors to factor in increase in cost;

3. Initiated a study on the Price Regulation of Pharmaceutical Items with the intention to review the current price control structure of pharmaceutical products in Fiji ensuring that it is compatible with the present market conditions;

4. FCC received 1093 submissions for price review for basic food items where 453 submission triggers were 'not met' (meaning that the price of the product did not change), 278 submissions led to price increases and 283 submissions led to price decreases, while 79 submissions were new inclusions into the master price list;

5. Airports Fiji Limited (AFL) made a submission to the FCC to increase the Air Navigation Service Fees for international routes through the Nadi Flight Information Region (NFIR). The FCC following its independent research and computations authorized the Air Navigation Service Fees at a rate of \$9.51 on 20 December 2016;
6. In June 2017, the domestic market experienced a shortage of cement due to disruption in production of cement by Pacific Cement Fiji Ltd. In order to overcome the national shortage of cement, the FCC together with the Ministry for Industry Trade and Tourism negotiated with Tengy Cement and Pacific Cement;
7. The FCC also undertook extensive research and study of the cane cartage and harvesting rates in the Fijian Sugar Industry due to the exorbitant charges in place. After a thorough analysis, the FCC concluded that the Harvesting Rate for Mechanical Harvester be fixed at \$17.50 per tonne for harvesting sugar canes within Fiji;
8. Other work includes a Review of Capital Infrastructure Consumer Deposit for the Electricity Industry, Review of Independent Power Producers (IPP) Tariff, Pilotage Sector Study, Ports Tariff Review, Passenger Fares and Freight Rates Review and a Review of Government Shipping Franchise Scheme. All these are discussed at length in the Annual Report itself.

Competition and Compliance Highlights:

1. In July 2017 the Fair Trade and Rents Section was renamed to Competition and Compliance Department (CCD) to better reflect the activities undertaken by the team. They have taken on new challenges including looking into mergers and acquisitions.
2. In 2017, CCD received a total of 384 complaints from across all division, of which 223 were resolved and 161 were in-progress. A number of traders and businesses were particularly found to be breaching provisions of the Commerce Commission Act 2010 (CCA 2010) by engaging in false and misleading advertisements and unconscionable conduct. All these are discussed at length in the Annual Report itself.
3. CCD managed to investigate numerous cases and submit for litigation where it was found that traders and service providers had breached the CCA 2010. Cases of fraud involving scams were referred to the Police for investigation under the Crimes Act 2009.

Price Control and Monitoring Highlights:

1. Monitoring activities were carried out in urban areas including cities and towns, semi-urban areas, rural areas and maritime areas. A total of 395 traders were issued with infringement notices and warned during the year, 91 were issued with on spot penalties while 18 were warned for prosecution.
2. Traders issued infringement notices were found to be contravening certain provisions of the Commerce Commission Act 2010 (CCA 2010). A number of traders were caught overcharging on price-controlled items, failure to display prices of items, selling items with foreign language and engaging in false or misleading advertisement.
3. On-spot penalties were issued to traders found selling price-controlled items above the maximum retail price set by the FCC and failed to display price of items. As part of overall organisational efforts towards advocacy and education, awareness activities were undertaken for communities, schools and traders in the three divisions.
4. The Department received a total of 113 complaints in this period. In the course of the year, and again, owing to organisational restructure, *Rents* were also part of the work done by the PCM, and as such, 406 complaints pertaining to rents were received.

5. The Rents Section and Manager Legal were tasked in early 2017 to undertake the preparation of a proposed Landlord and Tenant Bill. The process had an action plan from January to July, 2017 and a Technical Working Group, (TWG) consisting of representatives from various Government agencies involved in rental and leases, was formed to oversee the process. A Draft Bill was formulated following extensive consultations. All these are discussed at length in the Annual Report itself.

Legal, Risk Management and Governance Highlights:

1. In the Central/ Eastern Division a total of 20 cases were filed for prosecution, 17 in the Western Division and 3 in the Northern Division. 12 matters were completed during the year while 170 matters are pending before the court.
2. A handful of traders were taken to court for failing to pay spot fines, engaging in false or misleading representation while some were found to have illegally increased rent on residential property despite a Residential Rent Freeze Order being in place. The ability to settle proceedings is important in enabling us to achieve the best outcome for consumers in the specific circumstances of a case.
3. As mentioned earlier, a considerable amount of effort was also placed on producing a Draft Landlord and Tenant Bill. All these are discussed at length in the Annual Report itself.

Corporate and Finance Highlights:

1. In March 2017, the Department took a lead role in the relocation of FCC's headquarters in Suva from Level 1 Garden City Complex in Raiwai to 42 Gorrie Street Suva.
2. As part of corporate and social responsibilities for the year, there were efforts for a Pinktober morning tea, blood drive, clean up at My Suva Park and clean-up of Nasese shoreline for World Oceans Day.
3. On the finance side, prudent financial management procedures and processes meant that the numbers added up accurately, and that a fit-and-proper Independent Auditor General's Report was issued by the Office of the Auditor General. Complete details are available in the Annual Report itself. A summary of FCC's budget is as follows:

Description	FY2016 (7 months only) (FJD)	FY2016-17 (12 months) (FJD)
SEG 1 – Established Staff	691,230.52	1,522,049.24
SEG 2 – Unestablished Staff	-	-
SEG 3 – Travel and Communications	15,000.00	29,700.00
SEG 4 – Maintenance & Operations	135,344.15	328,506.00
SEG 5 – Purchase of Goods & Services	182,737.26	443,538.12
SEG 7 – Special Expenditure	-	-
SEG 9 – Capital Purchase	-	19,896.00
SEG 13 – Value Added Tax	92,188.07	142,510.64
Total	1,116,500.00	2,486,200.00
Extrapolated to 12 months	1,914,000.00	As above

Human Resources Highlights:

1. The Human Resources Department strives to make FCC a conducive workplace, by supporting a quality career, developing employee capabilities, engaging staff, and providing a positive experience through the delivery of effective and efficient services.
2. FCC at the end of 2016 financial year a total of 51 staff members were employed. 30 trainings and workshops were organized for staff members all year round. The training identified were based on the respective roles undertaken by the FCC and need for staff to undergo such trainings.

Other Key Activities

Advocacy and Education

Our advocacy and education functions assist businesses and consumers to understand how the law affects them. Prevention remains the best cure and we continue to see real value in investing in education programmes across all the Acts we enforce. These include our trader awareness programme, community sector advocacy and private sector workshops. For the period August 2016- July 2017 a total of 142 trader awareness was conducted with 398 participants while for the same period 97 community and school awareness sessions were facilitated reaching out to an impressive 7527 people.

Stakeholder Engagements

The FCC is actively addressing the issues and challenges that we face as an organisation. Improving how we engage and communicate is a continued focus for us and this includes talking more directly and frequently with our stakeholders through public forums, workshops analyst media briefings, and improving the accessibility of our reports and determinations. The FCC also undertakes international engagement with competition and regulatory agencies in other jurisdictions and works hard to stay connected and up to date with international best practice. Staff and Commissioners have attended or presented at major events in the Pacific, Europe, Asia and America. We have also had the privilege of hosting a delegation from Samoa in March 2017 which signifies strengthened relations with agencies in the Pacific Region.

Challenges

A large part of the work of the FCC sees it receive complaints from customers (Complainants) on concerns and issues that have, or can, breach relevant sections of the CCA 2010. Consumers must be protected at all costs from any unethical trade practices, and tenants from unfair landlords. Thorough investigations must be conducted by relevant Departments following receipt of complaints, concerns or issues. Key challenges faced, with respect to investigations, can be summed up into four large groups:

The enforcement challenges to process cases within the required timeframe provided under the FCC's Standard Operating Procedures (SOP) due to various factors such as:

- Non-co-operation of Respondents and Complainants;
- A lack of commitment and willingness by both parties to resolve cases;
- Confronting many complex issues attached to the complaints; and,
- Changing demands from Complainants and Respondents alike.

There seems to also be a general unawareness claimed by traders when approached, of what is not seen as illegal under the CCA 2010. To address these, awareness sessions have been held with certain groups of traders.

Looking Forward: Strategic Plan and Sustainable Development Goals

The FCC also engaged the services of the Asian Development Bank (ADB), through their Pacific Private Sector Development Initiative, to undertake the development of the first ever Strategic Plan for the organisation. The Plan will outline the five (5) year strategic intent of the organization. It is anticipated that this will pave the path for the organisation in a manner which proliferates the FCC vision, mission and values. On 26 May 2017, the FCC's Board approved the new five-year Strategic Plan for the FCC as proposed by the Asian Development Bank following their review of the FCC's functions. The Strategic Plan was eventually launched on 26 March 2018. This Strategic Plan incorporates salient features of the National Development Plan (2017 –2021 and 2017 – 2036) to enable inclusive socio-economic development. This resonates with FCCC's inclusive approach to regulatory oversight and making markets work well. Accordingly, we are working in congruence to actively contribute towards the realisation of the Sustainable Development Goals (SDG). SDGs 1, 5, 7, 9, 11, 12 and 17 have been identified as being relevant to FCC. This progressive and forward-thinking Strategic Plan embraces the fundamental principles of our National Development Plan and will promote greater self-regulation, voluntary compliance, and contributes towards transforming Fiji.

THE FIJIAN COMPETITION AND CONSUMER COMMISSION

WRITTEN SUBMISSION FOR:
THE 2017-2018 FIJIAN COMPETITION AND CONSUMER COMMISSION ANNUAL REPORT

SUBMITTED TO
THE PARLIAMENTARY STANDING COMMITTEE ON ECONOMIC AFFAIRS
GOVERNMENT OF THE REPUBLIC OF THE FIJI ISLANDS

Thursday 19th August 2021

Overview

- The Fijian Competition and Consumer Commission (FCCC) is an independent statutory body established under Section 7 of the Fijian Competition and Consumer Commission Act 2010 that promotes effective competition and informed markets, encourages fair trading, and protects consumers and businesses from restrictive practices, and controls prices of regulated industries and other markets where competition is lessened or limited.
- 2017-2018 was a historic year for the Fijian Competition and Consumer Commission (FCCC). We changed our official name from the *Fiji Commerce Commission* to the *Fijian Competition and Consumer Commission (FCCC)* which was accompanied with additional powers under the FCCC Act 2010, and came into effect from 1 August 2018. Fijians rely on FCCC when it comes to the protection of consumer rights and promotion of fair competition amongst Fijian businesses.
- Developed with assistance from the Asian Development Bank, through their Pacific Private Sector Development Initiative, our 2018-2023 Strategic Plan (SP) was launched by the Honourable Prime Minister Josaia Voreqe Bainimarama on 26 March 2018, and provides us with a roadmap for the next 5 years, towards attaining the following 4 strategic goals:

Strategic Goal 1

Markets for goods and services in Fiji are competitive.

Strategic Goal 2

Consumers in Fiji are offered goods and services that are safe and are provided with adequate and accurate information about goods and services.

Strategic Goal 3

Regulation, including price control, is applied where competition is not effective, and efficient outcomes can be achieved without imposing excessive administrative or compliance costs.

Strategic Goal 4

The FCCC is regarded by Government, businesses and the public as an independent and expert body.

A copy of our 2018-2023 Strategic Plan can be retrieved from https://fccc.gov.fj/wp-content/uploads/2018/09/SP-FCCC-17_Final.pdf.

- Our *Vision*, *Mission* and *Values* reflect FCCC's goals and encompassing objectives:
 - Vision: *To create a dynamic and competitive market in Fiji.*
 - Mission: *Fostering a competitive, efficient, fair and informed market place to enhance the welfare of all Fijians.*
 - Values: *Professionalism, Responsibility, Commitment, Honesty, Respect, Trust, Transparency.*

- The following Departments work towards the goals of the FCCC:
 - Economic Regulations
 - Price Control and Monitoring
 - Competition and Compliance
 - Internal Audit*
 - Legal, Risk Management and Governance
 - Human Resources
 - Corporate and Finance

(*In improving its governance structure, FCCC introduced an Internal Audit Department as an independent professional arm of FCCC. It reports directly to the Board of Commissioners.)

The Commission Board

The FCCC Board is responsible for the corporate governance of FCCC and ensures that the organization develops and implements strategies and policies to enable it to achieve the objectives/goals set out in the FCCC Act 2010 and Strategic Plan 2018-2023. The Board of Commissioners are:

- Ms. Joann Young Chairperson
- Mr. Isikeli Tikoduadua Deputy Chairperson
- Ms. Lyanne Vaurasi Commissioner
- Mr. Vimlesh Sagar Commissioner
- Mr. Romil Patel Commissioner

Highlights & Achievements

1. The launch of the Strategic Plan was a significant moment for the FCCC as it was the first time for the organisation to have in place a five-year plan with a clear focus and better sense of direction.
2. In 2018, the FCCC signed up for the Fiji Business Excellence Awards (FBEA). The Executive Management made a key decision to fully embrace and adopt the FBEA Framework and a FBEA Steering Committee was set-up with representatives from all departments.
3. Key stakeholder engagements during the year allowed the FCCC to elevate its presence nationally and internationally. A total of 10 international engagements were undertaken during the year in review. This included workshops and conferences pertaining to the areas of Competition Regulation; Investigation; Market Surveys; and Consumer Protection, held in the Asia-Pacific region and elsewhere.
4. A total of 289 awareness programmes were conducted, through trader awareness, community awareness, school awareness, workshops, social media updates, and media advisory articles.
5. Regular price reviews were conducted for basic food and hardware items, with a total of 1,814 submissions received over the course of the year. This resulted in 557 price increases, 400 price decreases, 614 'no changes', and 244 first time product reviews.
6. FCCC received 592 complaints, mainly related to the automotive industry, construction sector, electronics and electrical sector, white goods market and advertising services. Of these, 344 complaints were successfully resolved, 23 were forwarded for prosecution and 225 matters remained under investigation at year-end.
7. A total of 5,085 inspections of traders were conducted, from which 990 breaches were identified. 943 traders were issued with warnings and infringement notices, 9 were handed spot fines and 38 were forwarded for prosecution. A total of 295 cases were presented before the Court as at the end of the financial year, relating to a variety of breaches of the provisions of FCCC Act. 241 of these cases were in the Central Division, 37 were in the Western Division and 17 were in the Northern.

8. Some of the major achievements in the growth of FCCC includes:
 - Finalization and endorsements of Standard Operating Procedures;
 - Improvements of Annual Work Programs and Individual Work Programs;
 - Introduction of a Standard Case Summary Report and Checklist; and
 - Review of the organisation structure to increase resources in key strategic areas.

Economic Regulation Department Highlights:

The Economic Regulation Department had a total of five (5) staff members as at year ended 31 July 2018. This was made up of one (1) Manager Economic Regulation, two (2) Senior Market Analysts, one (1) Market Analyst and one (1) Assistant Market Analyst.

1. As part of the quarterly price mechanism set by the FCCC, four (4) price restatements for Fuel and LPG products were carried out in the year 2017-18.
2. During the financial year, four (4) Pharmaceutical Products Price Reviews were carried out. The pricing methodology adopted by FCCC is based on the most economical supplier and is valid for a quarter.
3. Exhaustive market studies were carried out for 4 Price Control Orders (PCOs) that were near expiry. Following an assessment, the recommendation was made to extend all of the PCOs for another term of between 3 to 5 years. This was to ensure that many essential goods and services such as fuel, LPG products, electricity and cement would remain affordable for Fijians.
4. Price authorisations for electricity and internet were authorised to sustain growth in their respective sectors.
5. After a study of the shortage of reinforcement steel rods in the market, policy recommendations were made to the Ministry of Commerce Trade Tourism and Transport (MCTTT) leading to a reduction in fiscal duty on the importation of steel rods to bolster the growth of the construction industry.
6. FCCC conducted a national price review of sugarcane mechanical harvester service rate and determined an authorised rate of \$17.50 per tonne that came into effect from 1 August 2017. The regulation of the sugar cane mechanical harvesting rate is aligned with the National Development Plan to enhance the growth of sugar industry.

7. From June 2016 to 2017, FCCC had reviewed Energy Fiji Limited's *Capital Infrastructure Consumer Deposit* in response to a request made by EFL highlighting shortfalls and/or impediments in the existing policy. FCCC issued a Final Authorisation that came into effect on 15 December 2017.
8. FCCC conducted its independent assessment of the *Savusavu-Suva Cable System* and its related commercial arrangements, and an endorsement for pricing was on "Wholesale Only" infrastructure access to the Savusavu-Suva Submarine Cable was made on 26 June 2018.
9. FCCC undertook a comprehensive review of the *Tug Service Charges* submission made by South Sea Towage Limited on 30 May 2018. FCCC issued the Final Authorisation on Tug Service Charges, granting an increase in the tug service charges.
10. BlueScope Pacific Steel (Fiji) Pty Limited faced disruptions on the production of reinforcement steel bar that was expected to cause shortage in the local market. FCCC initiated a study to determine the magnitude of the shortage conditions and made submission to the Ministry of Industry, Trade and Tourism on the recommended policy options. In September 2018, the Fijian Government endorsed a reduction in fiscal duty on the importation of reinforcement steel/ steel bar to support the growing construction industry.

Competition and Compliance Highlights:

The Competition and Compliance Department had a total of eleven (11) staff members as at year ended 31 July 2018. This was made up of one (1) Manager Competition & Compliance, one (1) Senior Compliance Officer, seven (7) Compliance Officers and two (2) Assistant Compliance Officers.

1. A total of 592 complaints were registered in 2017 – 2018 financial year. Central/ Eastern division recorded a total of 267 formal complaints whilst Western division recorded a total of 192 complaints followed by Northern division with 133 complaints. 58% of complaints received were successfully resolved, 4% of complaints were forwarded to FCCC Legal team for possible prosecution for breaches under the FCCC Act 2010, while nearly 38% of complaints were carried forward for investigation into the next financial year.

2. A majority of the complaints received by FCCC relating to the automotive industry are surrounding the following issues:
 - Traders not willing to honor warranty;
 - Non-disclosure of information relating to warranty;
 - Holding the vehicle till the warranty period has lapsed and selling afterwards;
 - Accepting payments and failing to supply;
 - False and misleading representations about the vehicle;
 - Supply and installation of improper motor vehicle parts; and,
 - Consumers are not given proper solutions by traders.
3. The building and construction industry recorded the second highest number of complaints as per FCCC's complaints records. Approximately 22% of all complaints were registered against construction companies, small carpentry traders and individuals engaged in providing construction services.
4. 18% of complaints reported were related to electronics or electrical sector, with consumers dissatisfied with usage and quality, while 4% of complaints were related to white goods.
5. With the influx of new brands, products and items in the market, the need for advertising and promotions increased. Through media screening, FCCC ensured that advertisements and promotions published were free of ambiguity and not likely to mislead or deceive consumers.
6. Investigations were carried out in the following areas: *Farms CARE* and *Homes CARE* Initiatives; Nature's Way Co-operative Limited's *High Temperature Forced Air* (HTFA) quarantine treatment facility; and ASCO Motors *Takata Airbag Recall*.
7. With respect to mergers and acquisitions, the merger of FINTEL and TFL, the acquisition of Mai TV, and Fijian Holding Limited's portfolio restructure were all assessed by the FCCC.

Price Control and Monitoring Highlights:

The PCM Department had a total of fourteen (14) staff members as at year ended 31 July 2018. This was made up of one (1) Manager Price Control & Monitoring, one (1) Senior Market Analyst, two (2) Assistant Market Analysts, one (1) Senior Rents Officer, two (2) Rents Officers, one (1) Senior Monitoring Officer, three (3) Monitoring Officers and three (3) Assistant Monitoring Officers.

1. A total of 1,814 requests for price reviews were received in the year, of which 1,405 were for food items, 35 for babywear and toiletries, 362 for hardware and 12 for services. Marginal increases were noted for food items around September 2017 was due to the increase in the prices of imported produce (i.e. garlic, onions and potatoes). These are seasonal items that often become expensive during the off-season.
2. A total of 5,085 inspections were conducted. 4,805 took place in urban and rural areas, while 280 took place in maritime areas.
3. Surveillance and monitoring activities on prices of hardware items took place to ensure the duty reductions on hardware items announced in 2017-18 National Budget were passed on to the consumers.
4. 1,012 spot checks were carried out on fuel and LPG prices.
5. 990 breaches of the FCCC Act 2010 were recorded, of which 367 were in the Central Division, 282 in the Western Division and 341 in the Northern Division.
6. FCCC conducted an investigation into suspected bogus tenancy agreements and illegal rent increases associated with the Tertiary Education Loan Scheme (TELS). A total of 116 cases were investigated, of which 74 were recommended for prosecution and 42 were handed over to Police for further investigation in relation to bogus agreements.

Legal, Risk Management and Governance Highlights:

The LRMG Department had a total of three (3) staff members as at year ended 31 July 2018. This was made up of one (1) Manager Legal Risk Management & Governance, one (1) Senior Legal Officer, and one (1) Assistant Legal Officer.

1. On 1 August 2017, some notable amendments to the FCCC Act 2001 included increasing maximum penalties from \$10,000 to \$100,000, new imprisonment term of ten (10) years and inclusion for Enforceable Undertakings. The changes were aligned to FCCC's strategic plan and goals.
2. On 12 September 2017, the Court, issued a \$20,000 fine against Carpenters Fiji Limited for overcharging. Carpenters Fiji Limited appealed the matter in High Court, which was heard and held in favour of FCCC.
3. On 18 October 2017, a similar sentence was issued against New World for overcharging and a fine of \$20,000 was issued to the trader.
4. On 21 February 2018, Nature's Way Co-operative Fiji Ltd filed a case against the FCCC seeking a declaration from the Court regarding FCCC's powers to request for information, and whether FCCC had jurisdiction to investigate a co-operative. On 16 July 2018, the Court dismissed the application.
5. During the year, three Memorandum of Understanding (MOU) were signed with three (3) key agencies to foster cooperation and sharing of knowledge/information between the organisations. These include the Fiji Chamber of Commerce and Industry, the Fiji Commerce and Employers Federation and the Real Estate Licensing Board.

Corporate and Finance Highlights:

1. Prudent financial management procedures and processes meant that the numbers added up accurately, and that a fit-and-proper Independent Auditor General's Report was issued by the Office of the Auditor General. Complete details are available in the Annual Report itself. A summary of FCC's budget is given below:

Description	FY2016-17 (12 months) (FJD)	FY2017-18 (12 months) (FJD)
SEG 1 – Established Staff	1,522,049.24	2,282,811.62
SEG 2 – Unestablished Staff	-	-
SEG 3 – Travel and Communications	29,700.00	29,700.00
SEG 4 – Maintenance & Operations	328,506.00	578,506.00
SEG 5 – Purchase of Goods & Services	443,538.12	621,385.50
SEG 7 – Special Expenditure	-	-
SEG 9 – Capital Purchase	19,896.00	19,896.00
SEG 13 – Value Added Tax	142,510.64	112,453.88
Total	2,486,200.00	3,644,753.00

Human Resources Highlights:

The Human Resources Department had a total of two (2) staff members as at year ended 31 July 2018. This was made up of one (1) Manager Human Resources and one (1) Human Resources Officer. The FCCC's full time equivalent staff (FTE) as at 31 July 2018 is fifty-two (52). This is equivalent to 86% of approved staffing capacity. At year-end, 7 Graduate Trainees and 18 Attaches were also part of the FCCC family. 31% were females, 69% were males.

Department	Total Staff	Central Division	Western Division	Northern Division
Executive Management	2	2		
Corporate	17	12	3	2
Economic Regulations	5	5		
Price Control & Monitoring	14	11	1	2
Competition & Compliance	11	7	2	2
Legal	3	3		
Total FTE	52	40	6	6
Graduate Trainee	7	4	2	1
Attaches	18	11	5	2
Grand Total	77	55	13	9

1. With respect to professional development programs and trainings, an average of eleven (11) training days was achieved which is equivalent to 4,790 training hours.
2. The FCCC bonds with staff through staff development activities, social committees, internal trainings and workshops, and monthly staff recognition awards.
3. FCCC has an *Employee Recognition Awards Programme* that formally recognises and celebrates the outstanding contributions by employees.
4. To meet its strategic goals, FCCC will continue to provide capacity building to enable staff to administer removal of restrictive and unfair trade practices from Fijian markets with the support of the Fijian government.

Internal Audit Department Highlights:

1. On February 2018, the Internal Audit Department was established through the appointment of an Internal Auditor. Soon after, an operational audit commenced to gauge and assess the current internal controls in place for FCCC. the Audit Reports were subsequently approved by the Board.
2. The Internal Audit also encouraged participation in staff professional trainings to upskill and attain the benchmark set by international best practices. The Internal Auditor is a member of the Institute of Internal Auditors Fiji, which conducts trainings and conferences to upskills its members.

Other Key Activities

1. FCCC also partnered with the United Nations Development Programme Rights, Empowerment and Cohesion project for Fijians dwelling in rural and urban areas, allowing greater coverage in maritime areas while increasing FCCC's presence at expos.
2. A total of 289 awareness programmes were conducted, through trader awareness, community awareness, school awareness, workshops, social media updates, and media advisory articles.
3. FCCC participated in Corporate Social Responsibility programs organised by Fiji Cancer Society, Fiji Law Society and Petro Civoniceva Foundation, blood drives, cleanup of Labasa Hospital Ward, food distribution at Labasa Babasiga Ashram and cyclone relief assistance following tropical cyclones Josie and Keni.

Key Challenges

1. To better reflect the ambitions of the new Strategic Plan, changes were inevitable in organisational structure and in reporting lines. Effecting these changes posed teething administrative and operational challenges, which required time and effort to address.
2. In the course of FCCC investigations, it was discovered that inadequate laws were governing certain industries. Where it can, FCCC recommends Government policy interventions – as in the case of the shortages in steel rebars, highlighted earlier.
3. As much as possible, all efforts are taken to ensure Business Continuity Plans are activated when necessary. Yet still, some productive time is lost owing to office closures due to natural disasters, and efforts placed towards recovery efforts following it.

Looking Forward

In the coming years, FCCC will pursue a trusted collaborative working relationship with the industries and our strategic partners. This will enable effective good governance, risk management, detection and disruption of restrictive and unfair trade practices. Our effective regulation of markets will continue to play an important role in Fiji's economic growth. FCCC's 2013-2018 Strategic Plan incorporates salient features of Fiji's National Development Plan (2017 – 2021 and 2017 – 2036) to enable inclusive socio-economic development. This resonates with FCCC's inclusive approach to regulatory oversight and making markets work well. Accordingly, we are working in congruence to actively contribute towards the realization of the Sustainable Development Goals (SDG). SDGs 1, 5, 7, 9, 11, 12 and 17 have been identified as being relevant to FCCC. This continued support has seen the review of the FCCC Act 2010, and work commencing on the development of a National Competition and Consumer Policy Framework. This commitment will greatly assist strengthening our sense of direction and boost confidence in achieving our vision to create a dynamic and competitive market in Fiji.