

# 2017/2018 ANNUAL REPORT



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## Table of Contents

1	Chairman's Introduction
2	Chief Executive Officer's Review
4	FRA's Board of Directors
5	Corporate Statement
7	Corporate Governance
8	Year In Review
9	About FRA
14	Overview of FRA's Programme Delivery
18	FRA's Statement of Service Performance
41	Levels of Service - Accountability
56	Financial Statement
78	Other Financial Information
83	Glossary
90	Key FRA Partners
92	Appendix

## Chairman's Introduction

On behalf of the Board, I present the Annual Report for Fiji Roads Authority for the financial year 2017/ 2018.

The 2017/2018 financial year was yet another 'Year of Challenge' for the Fiji Roads Authority. Our teams continued to deal with the devastating aftermath of the 2016 Tropical Cyclone Winston, whilst delivering more Capital Improvements throughout Fiji.

Early in the financial year we were pleased to announce the appointment of the new Fiji Roads Authority Chief Executive Officer, Mr Jonathan Moore. Mr. Moore brings a wealth of experience in the road and bridge infrastructure construction gained through more than 35 years working around the world. As a qualified and experienced engineer, he will bring a different dimension to the role of Chief Executive Officer, one that will greatly assist us in achieving our future goals. He joins us at a crucial time in development of the organisation, and we are confident that he will be able to lead the management and staff of the Fiji Roads Authority to even greater achievements.

A major challenge for this year has been the organisation restructuring that came with the appointment of our new Chief Executive Office. This very significant organizational transition had to be accomplished alongside a significant volume of construction and improvement works to be delivered in the same period. I am pleased to say that the hard work and cooperation of all of the management and staff of the Fiji Roads Authority

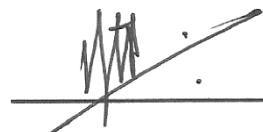
greatly eased with what could have been a very disruptive process.

The Fiji Roads Authority has emerged from this year, and this restructuring has brought greater transparency, accountability and openness than seen previously. The FRA Board of Directors are confident in the new processes that have demonstrated a high level of corporate integrity.

With our new team in place, and with the updated processes and stringent adherence to audit and integrity, I am left with no doubt that the Fiji Roads Authority can continue to aspire to greater ambition and to improve transportation and accessibility for all in Fiji.

We take this opportunity to express our gratitude and support of our Ministry and the Fiji Government towards assisting the Fiji Roads Authority in the enhancement of the infrastructure network.

Finally, I would like to thank all my fellow Directors for the contribution they have made to all our deliberations throughout a busy year.

  
**Dinesh Patel**  
**Board Chairman**



## Chief Executive Officer's Review

I am honoured to be appointed to the position of Chief Executive Officer of the Fiji Roads Authority and thank the Government of the day for bestowing their trust upon me. It is indeed a great opportunity to lead an organization of such magnitude, managing the road network, bridges and jetties of the country that has infrastructure assets of more than \$8 billion.

On the same note, I would like to thank the Board for the helpful support and assistance provided during the transition period and allowing room and space for me to make decisions and take actions for the betterment of the organization. The 2017/2018 financial year has been a period of much transition for all of us, and the Authority has managed to pick up pace in project delivery.

The focus for this year has been to restructure the organisation and to bring in processes and procedures that have already started to ensure that we are able to make decisions that are based on sound governance. The restructuring of the organisation has proven to be a major upheaval for everybody, but I am proud of the open-minded and positive way in which the management and staff have taken on this new challenge.

During the year we were able to carry out maintenance work to the value of \$121 million on our road and structure, and a further \$38 million was spent on emergency services.

The New Capital works projects focused on the delivery of much needed new assets in support of Public Safety and Accessibility, with a major push on providing safe pedestrian access and streetlighting. This year saw the completion of our first Solar Streetlighting Network, a major milestone in our drive to improve conditions for all in Fiji. The total New Capital spend for this year was \$275 million.

The year also marked major expenditure in the new capital access sector, which consists of rural roads around the country, with a spend of \$38 million.

As part of the programme to improve access throughout the country our Asset Renewal projects recorded a spend of \$143 million on roads, bridges and jetties renewals.

The Authority also made a major investment in road safety for communities, which included new footpaths, improving access for people with disabilities, construction of new bus shelters and waiting facilities at the jetties. The Fiji Roads Authority spent \$18 million in this sector.

NASRUP Suva 3 project also saw major changes during the year with the termination of the original contractor for poor performance. NASRUP Nadi 2 project also took a major turn and picked up speed towards completion.

The Fiji Roads Authority has a great potential and through progressive change we will accomplish all that is needed for highway infrastructure in Fiji. We have achieved significant progress during the 2017/2018 financial year and with the continuous support and commitment from our stakeholders, and the Fiji Roads Authority Board, we will surely be able to achieve greater heights for the Authority in the years to come.



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**Jonathan Moore**  
**Chief Executive Officer**

## **FRA Board of Directors**



**Mr. Dinesh Patel**  
**Chairman**



**Mr. Aptinko Vaurasi**  
**Board Member**



**Mr. Sanjay Kaba**  
**Board Member**



**Ms. Preetika Prasad**  
**Board Member**



**Mr. Kamal Gounder**  
**Board Member**



## **Corporate Statement**

### **Mission**

*A better land transport network for Fiji.*

### **Vision**

*An affordable, integrated, safe, responsive and sustainable network of roads, bridges and jetties.*

### **Goals**

*To effectively, efficiently and sustainably provide an environmentally friendly land transport network to which people are able to gain easy access and travel on safely, efficiently and comfortably to their destinations.*

*To halt the deterioration trend and reduce the value of deferred maintenance and deferred renewals.*

*To develop capacity and capability at all levels of the Roading industry such that Fijians are ultimately able to be appointed to any role within the FRA, Principal Engineering Services Provider or Maintenance Contractor organisations.*

### **2017 / 2018 Performance Targets**

*See Table 19*





## How the FRA's Mission, Vision, Goals and Performance Targets contribute to Fiji's Overall Development

The Fiji Government's Key Pillars to which this Mission and Vision and these Goals and Targets contribute are:



Constitution of the Republic of Fiji 2013 - **reasonable access to transportation.**

Developing a common national identity and **building social cohesion.**

Enhancing **public sector efficiency, performance effectiveness and service delivery.**

Achieving **higher economic growth while ensuring sustainability.**

Developing **an integrated development structure at the divisional level.**

**Reducing poverty** to a negligible level by 2018.





## **Corporate Governance**

FRA is a body corporate governed under the leadership of a Board of Directors reporting to the Minister for Infrastructure & Metrological Services.

Since 2012, FRA is the organisation responsible for maintaining, planning and delivering Fiji's road network of roads, bridges, jetties, streetlights and traffic signals.

FRA manages the roading assets primarily through out-sourced contracts with the private sector. The exception to this is certain maintenance work carried out by Municipal Councils and the management of roads on the Outer Islands which are administered by the Ministry of Rural and Maritime Development under a MoU with FRA.

The Corporate Governance is a way of structuring the Authority in order to safeguard the interests of a wide variety of stakeholders.

### **Appointments of Board of Directors**

Under the Fiji Roads Authority Act 2012, the Minister of Infrastructure appoints the members to the FRA for a term of three (3) years.

### **Appointments of Sub-committee**

There is only one sub-committee appointed by the Board which is the Audit sub-committee. The role of the Audit sub-committee involves assisting the Board to fulfill its oversight responsibilities in areas such as an entity's financial reporting, internal control systems and the internal and external audit functions.

### **Remuneration & Benefits**

The Board members are entitled to remuneration and other expenses, as fixed by the Ministry. The remuneration of the CEO of the FRA is determined by the Board while the remuneration for the FRA employees is determined by the CEO.

### **Responsibilities of Board**

The Board is accountable to the Minister responsible for Infrastructure & Metrological Services.

### **Board Meetings**

There were twelve (12) board meetings held during the 2017/2018 financial year. The meetings are usually scheduled for the last Tuesday of the month however at times depends on the availability of the Board Members.



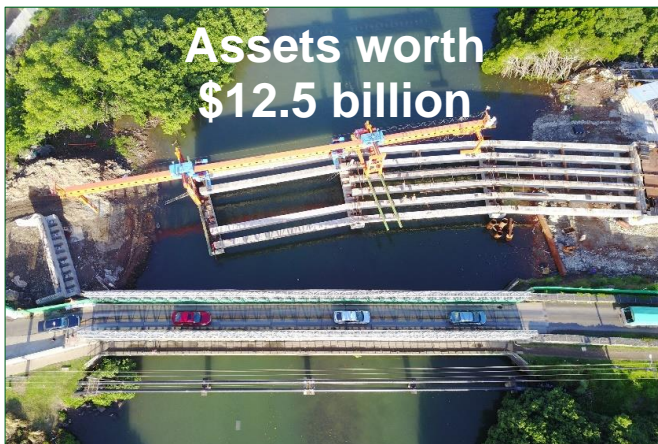
## Year in Review



**182  
Employees**



**98% of  
budgeted  
expenditure  
utilized**



**Approximately  
\$40 million  
worth of work  
done for roads  
in Municipal  
council areas**



**Opening of the  
new Vatuwaqa  
and Stinson  
Bridge**





## About FRA

### **Better transport infrastructure is essential for Fiji's development**

The success of Fiji's development is dependent on infrastructure that is reliable enough to encourage people and businesses to invest in the future. Reliability means that the service being delivered by the infrastructure is consistently available without interruption. Infrastructure standards are largely driven by the need for reliability.

The core element of this infrastructure is the road network. It provides the means for the movement of people and goods between businesses and local and international markets. Roads enable people to get to jobs, education and health facilities. Without reliable transport these vital connections will remain fragile and Fiji's development will be constrained.

This road network is the most valuable built asset Fiji owns. Years of investment and effort have gone into building up over 6,589 km of roads and 1,399 bridges and 33 jetties that FRA owns and manages. If this massive infrastructure is going to serve Fiji's future development needs, then two things have to be done:

1. Improve the safety and reliability of the existing network; and
2. Expand the network to provide the capacity for sustained growth.

### **Fiji Roads Authority was set up to fast track the recovery and expansion of the network**

The Fiji Roads Authority (FRA) was established in 2012 to effectively manage and develop Fiji's road network (Refer to Appendix A for "FRA Act 2012" and related amendments) and become fully operational on 1st January 2013. Over the first three years of operation we moved from a standing start to managing a \$435 million-plus programme of maintenance, renewal and capital projects.

The FRA uses international best practice of asset management to undertake its function. This is how other developed and developing countries look after their transport, water, electrical and other infrastructure networks. Asset management involves using long term planning to provide the required service at the best value for money. Long term planning is essential.





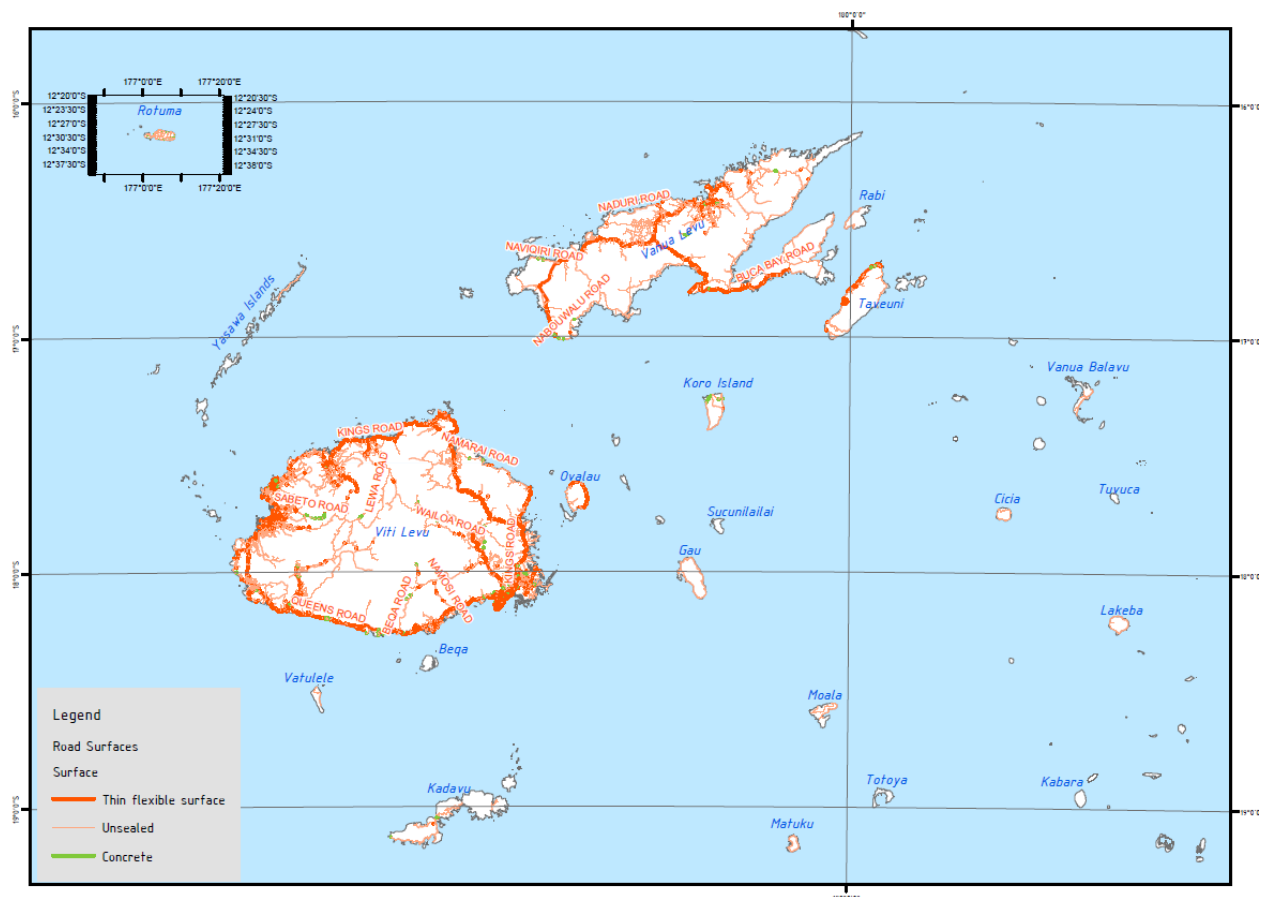
## FRA is responsible for Fiji's most valuable built asset

The FRA's 'assets' are all of Fiji's roads, bridges and jetties. This includes the land on which our assets are located, together with all the associated infrastructure such as drainage, street lighting, traffic signals and other street furniture. We also consider our buildings, vehicles and other

operational equipment as part of our asset portfolio. They are all managed and maintained using the same principles.

On our latest estimate these assets are worth over \$12.5 billion making the road and maritime network Fiji's most valuable built asset. The geographic extent of the FRA's assets are illustrated in Figure 1. A full summary of the asset valuation is provided in Table 23.

Figure 1 - FRA Road Network on all of Fiji's Islands



To make the network more manageable, it has been divided into three sections consistent with the administrative Divisions of Fiji. Table 1 shows the length of the sealed and unsealed roads in each Division.

FRA has developed and is progressively improving a GIS-based Asset Management System which will hold a complete description of all of our roads bridges and jetties.

**Table 1 - FRA's Assets**

Division	Road Network (km)					Bridges (Nos.)	Jetties (Nos.)	
	Bridge Deck (km)	Concrete	Sealed	Unsealed	Grand Total		Jetty	Landing
Central	0.41	9	648	963	1,620	385	1	7
Eastern	0.12	7	13	478	498	107	6	7
Northern	0.54	3	380	1,644	2,027	414	7	2
Western	0.01	9	692	1,743	2,444	493	1	2
<b>Grand Total</b>	<b>1.08</b>	<b>28</b>	<b>1,733</b>	<b>4,828</b>	<b>6,589</b>	<b>1,399</b>	<b>15</b>	<b>18</b>

### **FRA pro-actively maintains, plans and develops the road network to meet Fiji's immediate and long term needs**

FRA has been given the task of developing a road network which meets the needs of a developing Fiji. Our approach is to focus on two core activities:

1. **Maintaining** the road network to keep it in the desired condition; and
2. **Expanding and developing** the network to meet tomorrow's needs.

Maintenance should be planned and pro-active, otherwise the safety and reliability of the network declines rapidly, or costs spiral out of control. FRA is committed to recovering from the previous decline of the network and getting ahead of the deterioration by carrying out a systematic and routine maintenance programme.

This is international best practice and is proven to be the only way to bring long term costs under control and provide a safe and reliable network. Ad-hoc decision making driven by anything other than a well-planned asset management and maintenance intervention strategy will cost more over the life of the asset.

FRA's massive programme of building new roads and widening existing ones will provide extra capacity for economic growth as well as connecting isolated parts of the country to economic and social opportunity.

### **Long term planning is the key to good investment decisions**

Expenditure and investment of this magnitude requires careful long-term planning to ensure the money is spent properly and wisely. This is why the FRA was set up as a planning and procurement authority with transparency and accountability underpinning everything we do.

All of our operational practices, planning principles, risk management, reporting frameworks and resource management are set out in an integrated set of manuals. This represents international best practice.

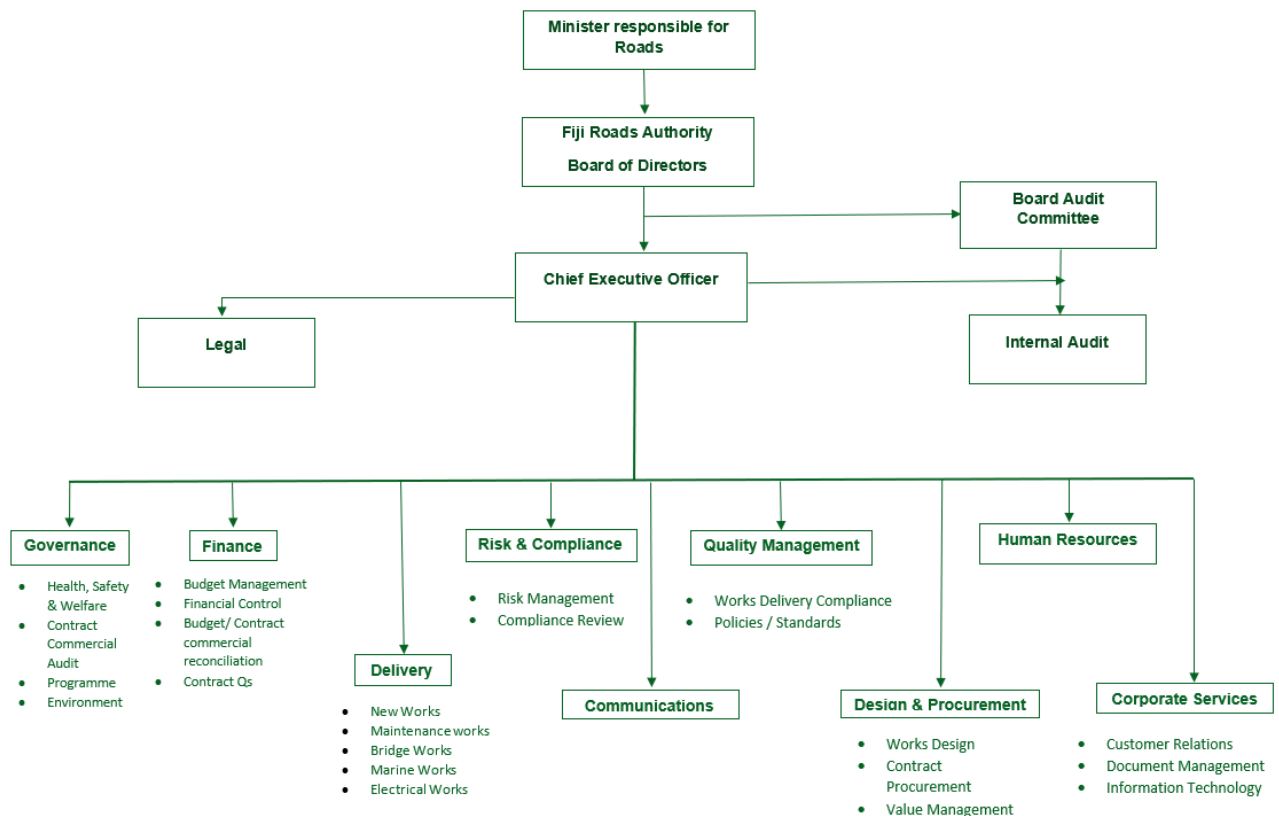


## FRA procures all work from the private sector under the scrutiny of a Board

As a statutory corporate entity, the FRA is accountable to the Minister for Infrastructure & Metrological Services through a Board appointed by the Minister.

Under the CEO there are eleven functional areas, each with a manager reporting directly to the CEO. FRA's structure is illustrated in Figure 2.

**Figure 2 - FRA's Corporate Structure**



FRA manages the road assets primarily through out-sourced contracts with the private sector. The exception to this is certain maintenance work carried out by Municipal Councils and the management of roads on the Outer Islands which are administered by the Ministry of Rural and Maritime Development under a MoU with FRA.

## A competitive and diverse supply chain maintains, designs and builds the network

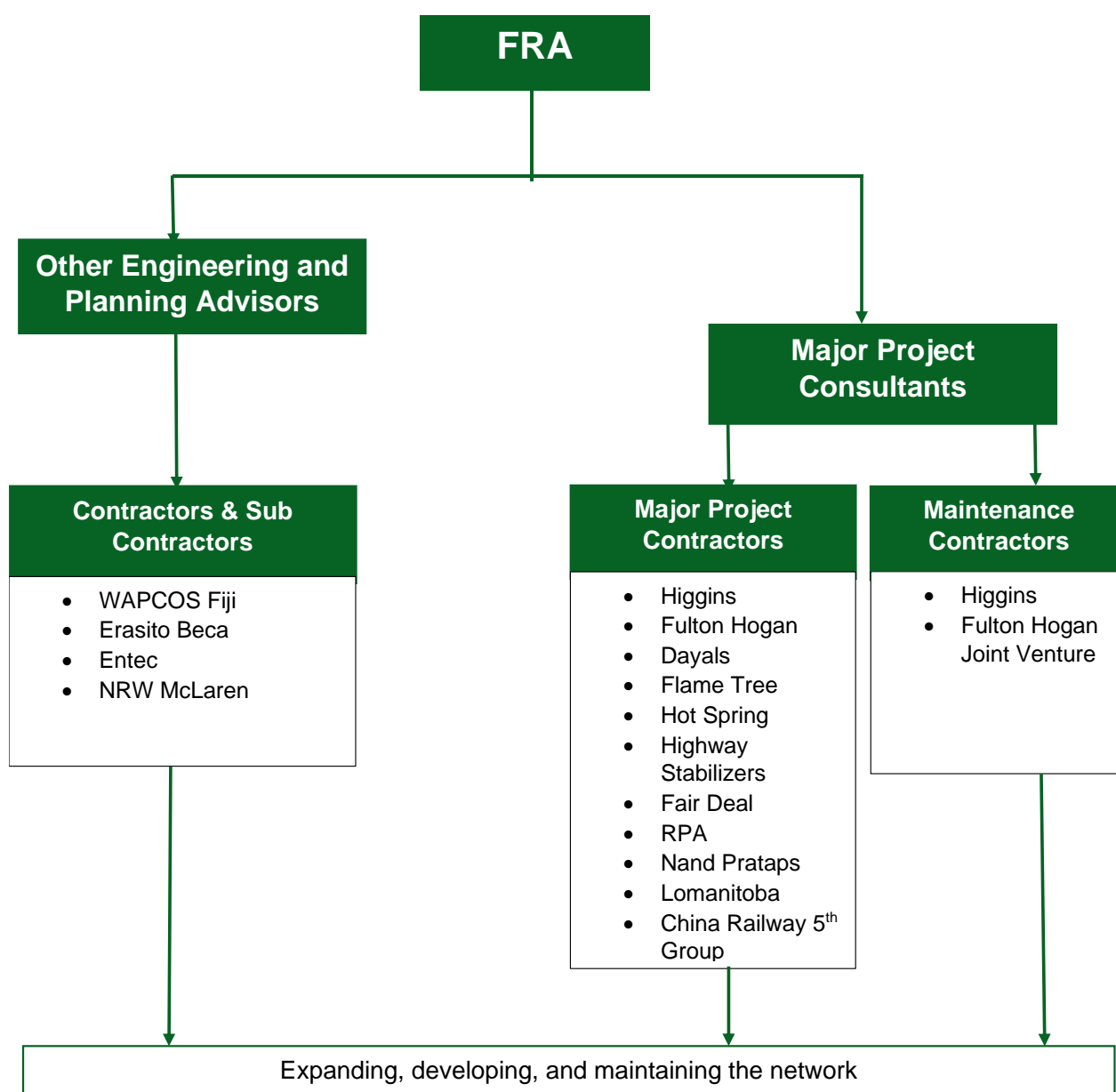
Over the course of 2016, 2017 and 2018 FRA has been facilitating the development of a sustainable and diverse supply chain to deliver the work. We have made good progress in expanding the role of Fijian involvement and Fijian companies in this supply chain and will continue to make this one of our top priorities in the coming years. This supply

chain will also evolve as we review our preferred service delivery model.

The structure and functions of the supply chain is shown in Figure 3. The key to delivering value for money from this supply chain is through competition and effective contract management. During the 2017/2018 financial year, FRA

continued to encourage the entry of new, high quality, participants both local and international into our supply chain. We will also be packaging our projects in a way that provides opportunities for Fijian companies to get experience in international best practice consulting and contracting projects.

**Figure 3 - Fiji Roads Authority's Supply Chain**





# Overview of FRA's Programme Delivery

The 2017/2018 financial year has been a successful year for FRA. We have delivered at least four hundred and thirty-five million dollars plus worth of programme. The vast majority of this effort was physical work, maintaining and improving Fiji's network of roads bridges and jetties.

This section provides details on how the programme was managed and how the allocated budget was spent by FRA.

## How we manage our work programme

The FRA manages a programme of work which is made up of over 200 items, many of which represent hundreds of separate sub-activities. In order to manage this huge number of different types of activity and expenditure in a coordinated, open and transparent way, we divide the programme up into 11 categories of work and spending. The table 2 provides details on the work programme.

One of the ways in which we measure progress throughout the year is through expenditure. Expenditure is the dollar value of the work that has been done. For example, if one of our contractors is building an embankment for a road and moves 1000m<sup>3</sup> of earth for a particular

task, then this work is measured and recorded.

But expenditure is only one aspect. Other measures that are routinely monitored include being satisfied that everything is within the approved scope and according to the specified technical standards; that it is of the required quantity and quality and has been completed in the agreed timeframe.

It is important to understand that our contractors are only paid for the work they have agreed with our representatives and completed satisfactorily. Where work is later found to be defective the contractor is required to undertake remedial works at his own cost.

Under most of our contractual arrangements the physical work that is done is not paid for until 56 days after the claim for that work has been submitted. This means that we have sufficient time to verify that the work has been completed to the required standard.

**Table 2 - Types of Work and Expenditure**

Activity Area	Description
<b>Operations</b>	
FRA Management and Operations	The costs of FRA's staff, premises, equipment, vehicles and other items which are essential to the effective operation of the business. This also includes fees for professional and technical services including expenditure on IT systems to improve the efficiency of our network management.
<b>Work Programme</b>	
Maintenance	The work done to keep our existing roads bridges and jetties in working order. This includes minor repairs as well as all the routine works such as vegetation control and keeping drainage systems clear.
Emergency Works	Any work that has to be done to repair damage caused by flooding or extreme weather events. This might include stabilising land slips, fixing bridges or repairing damaged drainage systems.
Renewals - Roads And Services	When assets (roads bridges and jetties) reach a certain level of deterioration they become too expensive to keep on fixing and maintaining. At this point it represents better value to rebuild the asset from scratch. Many of Fiji's roads and bridges have reached this point.
Renewals - Bridges	
Renewals - Jetties	
New Capital (Safety)	New Capital represents the work we do to extend and upgrade the networks. This includes new roads as well as existing ones that we widen or improve substantially.  We categorise New Capital according to the primary purpose for building the new asset. For example: projects which are primarily safety fit into that category; projects such as road widening in Suva are primarily about reducing congestion.
New Capital (Access)	
New Capital (Community)	
New Capital (Congestion)	
New Capital (Tourism)	
New Capital (Resilience)	

### Flexibility to account for unexpected events

FRA understands that flexibility is needed, particularly when large sums of taxpayers' funds are at stake. One of the ways in which Government provides itself with fiscal flexibility is the use of

*Requisition to Incur Expenditure (RIE).* Funds that are appropriated through the annual budget processes of parliament can be placed under Requisition which means that in order to incur expenditure against those funds the approval of the Minister of Economy is required. This is done on a quarterly basis. It allows the

Minister for Finance to better manage demand side and supply side constraints.

### **During the 2017/2018 financial year, FRA utilized 98% of budgeted expenditure**

The expenditure (work done) against the revised budget is shown below in Figure 4 and also in Table 10. Compared to the original intentions conveyed in the 2017/2018 Corporate Plan, the achievement rate overall is 98%. Overall the expenditure against each category is relatively close to the revised budget. Areas of notable under expenditure are detailed as follows:

- Emergency Works – Approximately \$10.5 million over expenditure. This mainly relates to maintenance works resulting from damages from TC Josie, TC Keni, Cyclone Kofi and Taveuni Slip Maintenance.
- Renewals and replacements of Roads – Approximately \$16 million over

expenditure. Mainly relating to sealed road rehabilitation program.

- Maintenance – Approximately \$10 million over expenditure. Mainly relating to road, corridor and structure maintenance.
- Renewals and replacements of bridges – Over \$1 million over expenditure. FRA carried out many repairs, replacements and maintenance of crossings and bridges which were damaged as a result of TC Josie, TC Keni and other unforeseen natural disasters in the 2017/2018 financial year.

FRA also conducts the Rural Roads Programme which looks at building and improving roads, bridges, crossings and even jetties. The FRA has collaborated with the Ministry of Rural and Maritime Development and National Disaster Management collaborate on delivering the Rural Roads Programme.

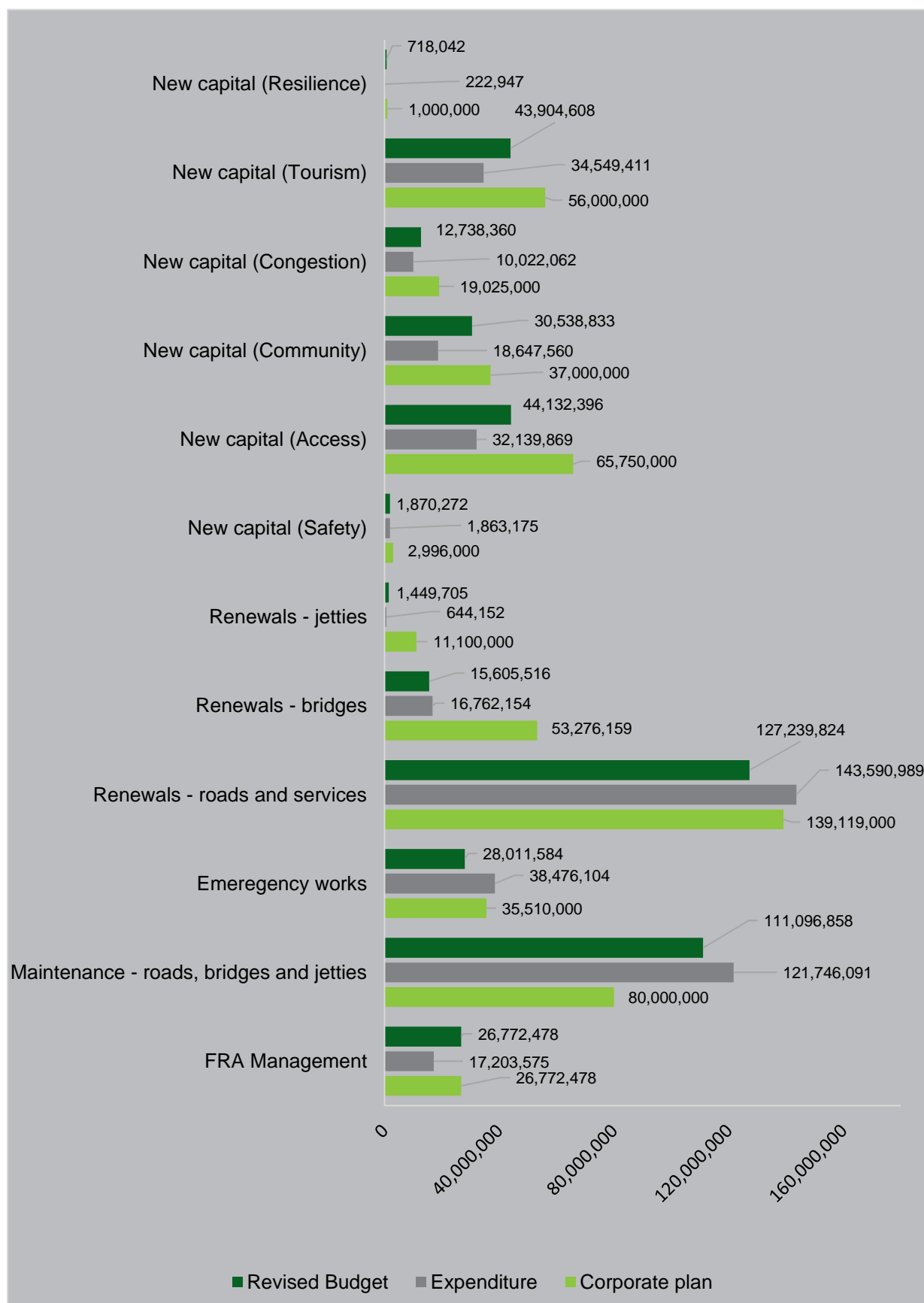
This programme connects and restores access between communities and essential services like Health and Education has greatly benefited hundreds of communities.



*FRA works on road renewals and maintenance*



**Figure 4 – Achievement by work category against approved expenditure for 2017/2018 financial year**





# FRA's Statement of Service Performance

FRA is a corporate entity having total staff of 182 during the 2017/2018 financial year. The FRA itself is responsible to Government for maintaining and building roads, bridges and jetties across Fiji. We plan the work programme and make sure it gets done to the right standard, on time and within budget. All the technical and physical work that needs to be done is carried out by consultants and contractors through formal contractual arrangements.

The FRA operates as a business and has all the corporate, finance and programme management structures in place to perform its function. This section provides the review of FRA's work over the course of the 2017/2018 financial year.

## FRA's Management Costs

FRA was established in 2012 by the Act. At that time all the functions of looking after Fiji's network of roads bridges and jetties were being carried out by an interim change manager.

Since that standing start the FRA has come a long way and is now a fully functioning business. The transition continued over the course of the 2017/2018 financial year and FRA has now taken responsibility for all the anticipated roles. FRA has taken back 'in-house' a number of key functions that have been outsourced since 2012. This was mainly due to the termination of the MWH contract. This also led to FRA recruiting a number of engineers and other project support staff to manage this transition process.

**Table 3 – FRA Management Costs including the professional and technical services**

Management	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
Salaries	16,152,029	16,152,029	10,779,437
Recruitment	61,540	61,540	276,818
Acc. & Finance	132,000	132,000	69,725
Vehicle Hire & Operation	2,256,960	2,256,960	1,226,272
Office Expenses	534,540	534,540	428,422
Rent	472,329	472,329	475,674
Legal Fees	1,500,000	1,500,000	687,896
Insurances	182,723	182,723	150,130
Archives - Storage	37,200	37,200	21,397

Management	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
Communications (including website)	1,505,160	1,505,160	381,496
Data and IT Improvements	652,000	652,000	1,288,630
Asset Management Improvements	120,000	120,000	-
Training & Development	401,895	401,895	127,489
Establishment Costs	87,000	87,000	60,974
Travel and Accommodation	550,000	550,000	576,056
Director's Fees	22,000	22,000	22,000
Board's Expenses	30,000	30,000	14,816
Miscellaneous Expenses	-	-	(317,417)
<b>Professional Fees</b>			
(a) Network Controls	100,000	100,000	-
(b) Asset Management Plan	-	-	-
(c) Safety Management Plan	-	-	-
(d) Project Management & Reporting	100,000	100,000	-
(e) Budget & Corporate Plan	-	-	10,800
(f) General Support	300,000	300,000	5,633
Tax Expenses - WHT	-	-	447,285
Asset Management System and Data Maintenance and Improvement	500,000	500,000	-
Contingency (carry over issues)	200,000	200,000	(21,643)
VAT	875,101	875,101	491,685
<b>Total</b>	<b>26,772,478</b>	<b>26,772,478</b>	<b>17,203,575</b>

The professional and technical services included as part of management costs relate to a range of support services provided to FRA for improving the range and quality of data and various other activities. This also includes provision and expenditure against various taxes.

## Maintenance of our Assets

Maintenance is the work done to keep our existing roads bridges and jetties in working order. This includes minor repairs as well as all the routine works such as vegetation control and keeping drainage systems clear. Co-ordinated, well-planned routine maintenance of our assets ensures that the network is more resilient to adverse weather events and is able to be restored more quickly after emergency events. Some notable highlights include continued reduction in the number of pothole repairs required

(as the overall network improved), greater resilience to wet weather and reducing complaints from key Bus Operator stakeholders.



*Rehabilitation works on the Naimasimasi Section on Kings Road*

**Table 4 – Maintenance of Assets**

Maintenance	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Road Maintenance</b>			
• Sealed	17,247,706	31,011,400	33,452,005
• Unsealed	13,761,468	24,057,644	28,903,627
• Outer Island	3,279,817	464,738	621,588
• Drainage	11,009,174	13,153,894	14,541,935
• Other Government Agencies	-	600,000	-
Additional Community Roads	2,431,193	4,250,991	4,364,137
Fast Response	2,431,193	2,486,111	2,275,970
<b>Corridor Maintenance</b>			
• Vegetation, Litter and Environmental	4,128,440	5,409,122	6,790,333
• Bus Shelter	252,294	250,181	20,994
<b>Traffic Services Maintenance</b>			
• Signs, Lines, Rails and Barriers	4,724,771	6,308,331	4,856,702
<b>Street Lights Maintenance</b>			
• Electricity	1,834,862	1,980,697	1,738,861
• Maintenance Street/Traffic lights	-	1,503,610	1,359,072
• FRA 16/91 Maint of St Light Lami/Navua/Deuba	192,661	186,260	144,850
• FRA 16/90 Maint of St Light Nasinu/Nausori/Levuka	550,459	1,111,813	796,355
• FRA 16/86 Maint of St Light Suva	477,064	612,550	425,788
• FRA 16/87 Maint of St Light Lautoka	275,229	643,199	368,051
• FRA 16/89 Maint of St Light Labasa/savusavu	174,312	278,194	130,091
• FRA 16/92 Maint of St Light Nadi&Sigatoka	256,881	521,356	310,341
• FRA 16/88 Maint of St Light Tavua/Ba/Rakiraki	183,486	259,052	175,402
<b>Structures Maintenance</b>			
• Bridges	2,752,294	3,898,399	4,728,303
• Crossings	3,853,211	3,380,561	2,868,457
• Jetties	642,202	520,887	1,887
<b>Route Improvements</b>			
• Bridge Load Mgt Posting and Signposting	183,486	52,097	-
• Minor Safety Works	917,431	377,992	377,992
• Kings Rd High Priority Sites (Tavua-Rakiraki) FRA 17/99	458,716	545,000	621,691
• Queens Rd High Priority Sites (Navua Hosp - Town, Namelimeli, Taleanaua)	458,716	500,000	-
<b>Professional Services (Maintenance)</b>			
• Programme Management	458,716	450,096	923,398

Maintenance	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
Contractors Lump Sum Escalation		(2,908,684)	873,736
VAT	6,605,505	9,173,135	10,052,430
<b>Total</b>	<b>80,000,000</b>	<b>111,096,858</b>	<b>121,746,091</b>

## Emergency Works

The 2017/2018 financial year was relatively eventful in terms of TC Josie, TC Keni, Cyclone Kofi and Taveuni Slip Maintenance. The Authority spent approximately \$10.5 million more than the

allocated budget in order to repair the damages from these natural disasters and as a result resources were diverted in order to repair and clean-up of the roads and damaged assets.

**Table 5 - Emergency Works**

Emergency Works	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Emergency Maintenance (Contingency)</b>			
• Physical Works - Emergency Response and Restoration	1,834,862	10,370,097	15,848,497
• TC Josie	-	3,301,877	5,901,169
• TC Keni	-	5,123,545	9,082,013
<b>Capital Works</b>			
<b>Maintenance of Jetties</b>			
• Cicia	550,459	-	-
• Moala	366,972	-	-
• Koro	366,972	-	-
• Lakeba	550,459	-	-
<b>Coastal Erosion</b>	-	492,722	635,754
• Gau	275,229	-	-
• Vanua Balavu	825,688	-	-
• Viti Levu - West	91,743	-	-
• Cicia	550,459	-	-
• Vanua Levu	2,844,037	-	-
• Koro	4,587,156	-	-
<b>Maintenance of Slips - Taveuni</b>	366,972	-	-
<b>Maintenance of Slips - Culverts</b>			
• Kasavu Culvert Installation FRA 17/111	-	-	95,057
• Taveuni	27,523	-	-
• Vanua Levu	27,523	-	-
<b>Cyclone Kofi (TD15F)</b>			
• Physical Works	3,486,239	-	-
• Package 1 FRA 16/68	-	1,353,823	649,713
• Package 2 FRA 16/69	-	1,629,960	1,390,966



Emergency Works	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
• Package 3 FRA 16/70	-	648,789	664,385
• Package 4 FRA 16/71	-	-	1,031,625
Lomaloma Slip	2,477,064	-	-
Other Works	642,202	-	-
<b>Cyclone Winston</b>			
• Professional Services	917,431	-	-
<b>Physical Works</b>			
<b>Bridges/Crossings</b>			
• Balenabelo Crossing	917,431	458,715	-
• Naiyarabele Crossing	917,431	458,715	-
• Kalabu Bridge	917,431	50,000	-
• Mia Mahajan Culvert	550,459	275,229	-
• Wailoku Road Culvert	550,459	275,229	-
• BS Chand Road Culvert	550,459	280,000	-
• Savu 2 Bridge	1,009,174	-	-
• Savu 3 Bridge	1,009,174	-	-
<b>Coastal Erosion (adjacent to roads)</b>			
Ovalau Circular Road	458,716	980,000	-
Lesaiacea Road, Savusavu	321,101	-	-
Vunivuca Road, Macuata	366,972	-	-
Nabouwalu Road, Bua	458,716	-	-
Bulu Bridge & Namatakula Village - Queens Road	366,972	-	-
South Coastal Road - Taveuni	458,716	-	-
North Coastal Road - Taveuni	366,972	-	-
Tuatua - Mudu (Koro Island)	366,972	-	-
Uruone - Mavana (Vanua Balavu)	366,972	-	-
Motusa - Pepjei (Rotuma)	366,972	-	-
Natokalau - Naceva (Cicia)	366,972	-	-
Naroi - Vunuku (Moala)	366,972	-	-
Biana - Namuana (Kadavu)	366,972	-	-
Yadua - Nawaikama (Gau)	366,972	-	-
<b>VAT</b>	2,932,018	2,312,883	3,176,926
<b>Total Emergency Works</b>	<b>35,510,000</b>	<b>28,011,584</b>	<b>38,476,104</b>

## Road Renewals and Replacements

Most of the works outlined under this programme were completed as planned. However, the Authority continues to suffer from a lack of gravel resources.

The current legislation and government policy require persons seeking gravel extraction licenses to obtain approval signatures from 60% of the registered

owners of land in the area and have their application approved by DoE and Lands Department. Finding 60% of landowners is difficult and time consuming as many no longer live on their land. The procedures of the Government Departments are complex and very slow to respond to requests. As a consequence, contractors awarded re-sheeting or rehabilitation contracts have not been able to obtain extraction license's in reasonable time.

**Table 6 – Renewals and Replacements – Roads and Services**

Renewals – Roads and Services	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Sealed Road Renewal</b>			
<b>Sealed Road Rehabilitation</b>			
• Sealed Road Rehabilitation Program	20,856,244	7,935,891	30,571,307
• BA Area Roads FRA 17/74	-	2,947,237	3,187,216
• SARUP I Loan	18,990,826	-	-
• SARUP I Local	1,376,147	25,380,033	28,598,177
• SARUP 1 - FRA17/23 - Water Main Replacement	-	709,258	1,033,557
• SARUP II Loan	18,348,624	450,000	-
• SARUP II Local	366,972	50,000	47,001
<b>Sealed Road Surfacing (Seals, Asphalt)</b>			
• Second Coat Seals	4,587,156	8,593,810	6,883,228
• Reseals	9,553,383	13,427,676	18,007,599
• ADB Reseals Loan	13,211,009	5,215,196	3,061,478
• ADB Reseals Local	1,467,890	579,466	340,164
• Asphalt	4,512,844	3,021,104	-
<b>Unsealed Renewal</b>			
<b>Rehabilitation</b>			
• Unsealed Road Rehabilitation Program	17,695,652	20,467,820	17,911,346
<b>Resheeting</b>			
• Unsealed Road Resheeting Program	4,647,014	6,716,824	5,720,501
<b>Outer Island Renewal</b>	2,293,578	2,964,465	2,542,668
<b>FRA15/124 - Kadavu Maintenance</b>		2,210,806	3,005,882
<b>Drainage Renewal</b>			
• Rural	5,504,587	8,390,401	6,573,382
• Urban	3,669,725	2,954,362	594,736
Bus Shelter Renewal	137,615	62,350	-
Waiting Shed Renewal	137,615	87,958	12,958

Renewals – Roads and Services	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
Investigation and Independent Verification Testing	275,229	-	-
Services Reinstatement and Renewal		4,569,126	3,643,654
VAT	11,486,890	10,506,040	11,856,137
<b>Total</b>	<b>139,119,000</b>	<b>127,239,824</b>	<b>143,590,989</b>



*Completed rehabilitation works on the Waidalice section on Kings Road.*



*Nabouwalu to Solevu Hill traction sealing successfully completed.*



*Construction of footpath along Cunningham to improve pedestrian access and safety.*



*The newly upgraded Daniva Road in Valelevu, Nasinu.*





*Completed rehabilitation road work at Kimberly Street in Suva.*



*New sealed road through Naivurevure village.*



*Queen Elizabeth drive road currently under work in progress.*



*Successful completion of the new road in Moala.*

## Bridge and Jetty Renewals and Replacements

Due to the significant public risk factors, an ambitious programme of work has been planned for bridges and jetties since 2014. During 2013 to 2017 period, a significant proportion of the work in this area involved planning and designing

replacements for the future years' pipeline of projects for construction.

During the 2017/2018 financial year, a number of the bridges were successfully completed despite the weather depression the period went through. The major highlights for the Authority was the completion and opening of the Stinson Parade Bridge and the Vatuwaqa Bridge



opening. This was achieved through the \$30 million aid received from the Chinese Government. The new Stinson Parade Bridge aims to massively free-up congestion in the Suva area, making the roads safer for drivers with more accessibility for passers-by. Likewise, the Vatuwaqa bridge reduces traffic commute for many people working in Suva and living in Nausori and allows easier access for bus services in the Vatuwaqa area.

Other major highlights for FRA during the 2017/2018 financial year included the following:

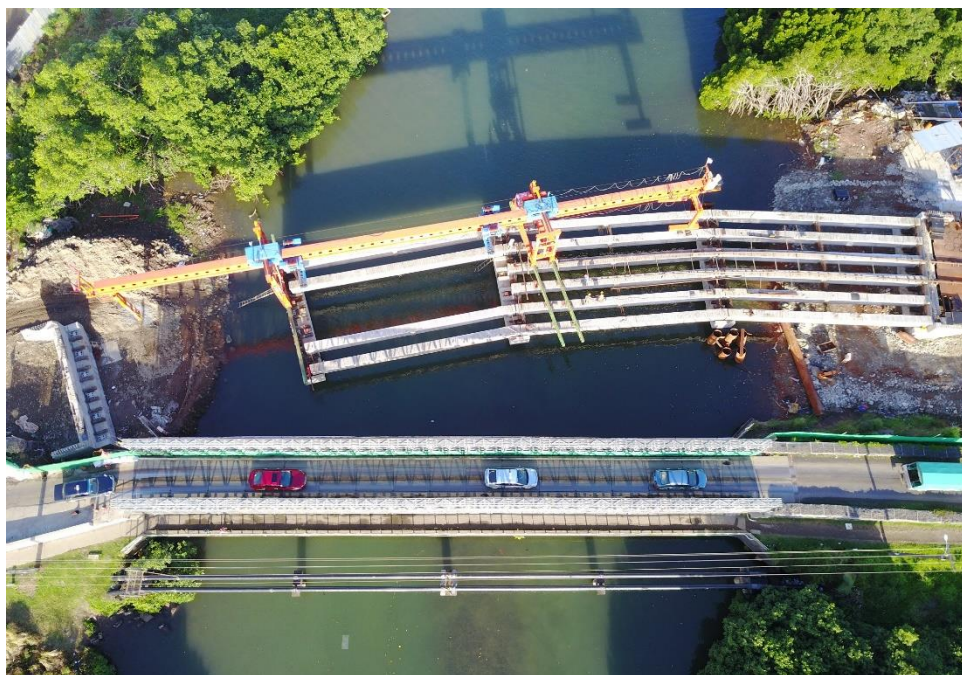
- Completion of the Levuka Market bridge;
- Opening of the Naisogo bridge in Levuka;
- Repairs of Jetties in Bau, Cicia, Lakeba and other small islands;
- Crossing repairs and maintenance in Savusavu, Nausori, and other parts of Fiji;
- Repairs of critically damaged bridges such as Matainavuso bridge, Tamavua; and
- Renewals and replacements of crossings.



*Opening of the Vatuwaqa Bridge ceremony.*



*Completed construction of the Naisogo bridge in Levuka.*



*Aerial view of the Vatuwaqa bridge during its construction phase.*



**Table 7 – Renewals and Replacements – Bridges**

<b>Renewals and Replacements - Bridges</b>	<b>Corporate Plan Budget (\$)</b>	<b>Revised Budget (\$)</b>	<b>Expenditure (\$)</b>
Bridge Renewals			
<b>4 Long Bridges</b>	36,697	-	-
<b>6 Short Bridges</b>	36,697	-	-
• Vuma Box Construction (DNP)	275,229	524,538	680,808
• Naganivatu Construction (DNP)	458,716	618,571	641,784
• Market Construction (DNP)	275,229	904,545	1,935,700
• Naisogo Construction (DNP)	275,229	834,290	733,321
• Savu 4 Construction (DNP)	-	-	(228,302)
• Wainasusu Construction (DNP)	-	-	(70,340)
Ovalau Bridge Program (ADB Funded)	2,906,422	315,000	-
Ovalau Bridge Program (ADB Funded) - Local Share	-	101,197	87,257
Taveuni Bridges (ADB Funded)	8,686,384	990,000	-
Taveuni Bridges (ADB Funded) - Local Share	-	110,000	-
<b>Crossing Renewals</b>			
<b><u>Western Division Crossing upgrades</u></b>			
• Nananau Crossing	458,716	150,000	-
• Modular Bridge Package 2 -Balenabelo Bridge - Navaga Bridge FRA 17/122A"	458,716	150,000	100,000
• Emuri Irish Crossing FRA 17/65	458,716	400,000	279,684
<b><u>Central Division Crossing upgrades</u></b>			
• Toga Bridge FRA 17/120A	458,716	150,000	892,128
• "Modular Bridge Package 1 - Vorovoro Bridge FRA 17/120B"	458,716	150,000	100,000
<b><u>Northern Division Crossing upgrade</u></b>			
• Qawa Pipe Crossing (Wainikoro Rd)	458,716	150,000	-
• Nayarabale Crossing (Northen Division)	458,716	150,000	55,800
• Waibula Crossing Taveuni FRA 17/125			111,600
• Taqaniwaqa FRA 17/125			55,800
• Naviavia Crossing FRA 17/125	458,716	150,000	74,400
• Naiyarabale Modular Brodge (Northen Division) FRA 17/124 A	458,716	200,000	250,000
• Modular Bridge Package 3 -Vunikawakawa Bridge FRA 17/124B	-	-	300,000
<b><u>Eastern Division Crossing upgrades</u></b>			
• Nakodou Crossing (Koro Circular Rd) FRA 17/121 Low Level Crossing	275,229	100,000	218,700
• Waitabu Crossing (Koro Coastal Rd) FRA 17/121 Low Level Crossing	574,312	100,000	218,700

Renewals and Replacements - Bridges	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<ul style="list-style-type: none"> <li>Mudu Crossing (Koro Coastal Rd) Nasoni Crossing FRA 17/121 Low Level Crossing Koro</li> </ul>	458,716	100,000	152,500
<ul style="list-style-type: none"> <li>Nasau Crossing (Koro Circular Rd) FRA 17/121 Low Level Crossing</li> </ul>	275,229	100,000	186,000
<b><u>Rewa-Vutia Road and Bridge</u></b>	2,489,908	300,000	-
<ul style="list-style-type: none"> <li>Vatuwaqa Bridge (Chinese Aid Funds)</li> </ul>	321,101	321,170	29,211
<ul style="list-style-type: none"> <li>Stinson Parade (Chinese Aid Funds)</li> </ul>	321,101	1,010,042	1,646,874
<ul style="list-style-type: none"> <li>Nasese Bridge</li> </ul>	2,018,349	24,247	60,525
<ul style="list-style-type: none"> <li>Nakabuta Bridge (Steel Bridge) FRA16/82</li> </ul>	73,394	1,190,660	1,190,660
<ul style="list-style-type: none"> <li>FSC Mill Penang Bridge Repairs FRA 16/76</li> </ul>	-	559,739	159,739
Solovi 1 and 2 Irish Crossing (ADB Funded)	908,257	315,000	-
Solovi 1 and 2 Irish Crossing (ADB Funded) - Local Share	-	35,000	-
Rabaraba Crossing (ADB Funded)	2,477,064	315,000	-
Rabaraba Crossing (ADB Funded) - Local Share	-	35,109	109
Matewale Replacement Crossing (ADB)	917,431	450,000	213,474
Matewale Replacement Crossing (ADB) - Local Share	-	50,000	(154,019)
<b><u>Repair of Critical Priority Bridges</u></b>			
<b><u>Bridge</u></b>			
<ul style="list-style-type: none"> <li>Walu Bay Bridge</li> </ul>	275,229	-	-
<ul style="list-style-type: none"> <li>Tamavua Bridge</li> </ul>	275,229	753,128	260,588
<ul style="list-style-type: none"> <li>Labasa Bridge</li> </ul>	91,743	-	-
<ul style="list-style-type: none"> <li>Lami Bridge / Waidamu / Gatward / Waidalice</li> </ul>	275,229	250,000	-
<ul style="list-style-type: none"> <li>Natogadravu (Wainibokasi; Natogadravu village)</li> </ul>	917,431	-	-
<ul style="list-style-type: none"> <li>Tavua Levu Bridge</li> </ul>	91,743	-	-
<ul style="list-style-type: none"> <li>Matainavuso Bridge (Kings Road) / Wainawai / Vugalei FRA 16/85</li> </ul>	275,229	300,000	137,000
<ul style="list-style-type: none"> <li>Naiyalayala Bridge (Taveuni)</li> </ul>	275,229	-	-
<ul style="list-style-type: none"> <li>Vesidrua Bridge (Vanua Levu)</li> </ul>	275,229	-	-
<ul style="list-style-type: none"> <li>Nakasava Bridge (Transinular Road)</li> </ul>	275,229	-	-
<b><u>Footbridge/Suspension Bridges</u></b>			
<ul style="list-style-type: none"> <li>Muanikoso</li> </ul>	275,229	-	-
<ul style="list-style-type: none"> <li>Nalotu Suspension Bridge</li> </ul>	45,872	-	-
<ul style="list-style-type: none"> <li>Gasele-Nauciwai Foot and Crossing</li> </ul>	91,743	-	-

Renewals and Replacements - Bridges	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
• Bua Lomanikoro Village Suspension (OPM-TCW)	458,716	-	-
• Natua Village, Macuata (OPM-TCW)	238,532	-	-
• Lakeba Village, Saqani, Cakaudrove (OPM-TCW)	183,486	-	-
• Nakaba Settlement, Savusavu, Cakaudrove (OPM-TCW)	27,523	-	-
• Naweni Village, Cakaudrove (OPM-TCW)	119,266	-	-
• Naquele Settlement, Ba (OPM-TCW)	100,917	-	-
<b>ADB Modular Steel Bridging Programme</b>	4,954,128	-	-
<b>Crossing Renewals</b>			
• Savusavu crossing in Ra FRA 17/50	1,834,862	200,000	1,007,880
• Nausori Crossing in Ra FRA 17/64	1,834,862	200,000	2,831,000
• Burulevu crossing in Ra	1,376,147	200,000	1,422,200
• Vakabuli Paipai No 2 in Ra FRA 17/63	825,688	340,000	240,440
• Sawene Bridge/ Crossing Sigatoka	1,376,147	-	-
• Low Levl crossing Package 2 -Vutuni 3 Crossing -Miha Mahajan Crossing -Wailoko Crossing FRA 17/123	733,945	150,000	500,000
• Namata Village Access Crossing	321,101	-	-
• Balili Crossing (ex-bridge) - Taveuni (ADB)	1,871,560	-	-
• Wauosi Replacement Crossing (DNP)	45,872	8,500	8,500
• Waibula Crossing Taveuni	944,954	150,000	-
FRA 15-21 Bridge inspections (Central/Eastern)	-	308,974	308,974
FRA 15-23 Bridge inspections (West)		21,975	21,975
FRA 15-22 Bridge inspections (North)		141,688	141,688
Nadelei		13,350	13,350
Nakorosule		225,265	225,265
Namuavoivoi FRA 14/22		-	(1,365,276)
Nakama FRA 14/21		-	(1,196,161)
Denerau Bridge	-	-	538,237
FRA 17/110 Bridges & Jetties Secondment for Specific Enginierring role	-	-	360,350
VAT	4,398,949	1,288,529	1,384,031
<b>Total Renewals &amp; Replacements -Bridges</b>	<b>53,276,159</b>	<b>15,605,516</b>	<b>16,762,154</b>



*Completion of the Stinson Parade bridge in Suva.*



*Newly constructed Levuka Market bridge.*



*Aerial view of the newly constructed Stinson Parade bridge in Suva*

**Table 8 – Renewals and Replacements – Jetties**

<b>Renewals and Replacements - Jetties</b>	<b>Corporate Plan Budget (\$)</b>	<b>Revised Budget (\$)</b>	<b>Expenditure (\$)</b>
Nabouwalu Jetty Stage II physical works	2,752,294	-	-
Savusavu Jetty Renewals	2,752,294	94,730	85,690
Vunisea 2 Jetty Renewals	2,266,055	-	-
Waiyevo Jetty (Taveuni) TCW damage	917,431	-	-
FRA 17/85 5 Jetty Maintenance Package (Bau/ Cicia/ Lakeba/ Oinafa/ Kavala)	458,716	300,000	470,000
Natovi Jetty Waiting Shed	550,459	300,000	-
Makogai Jetty	366,972	100,000	-
Koro Jetty	22,936	100,000	-
Lomaloma Jetty physical works	22,936	100,000	-
Nabukeru Jetty	45,872	100,000	-
Moala Jetty	-	100,000	-



Renewals and Replacements - Jetties	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
Wainiyabia Jetty	27,523	100,000	-
FRA 17/38 - Ellington Wharf - Master Plan	-	35,275	35,275
VAT	916,514	119,700	53,187
<b>Total Renewals &amp; Replacements - Jetties</b>	<b>11,100,000</b>	<b>1,449,705</b>	<b>644,152</b>

## New Capital Programme

Projects that were already underway and committed have to take precedence over projects that can be deferred or slowed down in their delivery.

The following programmes continued to be carried out during the 2017/2018 financial year:

### New Capital Programmes

- Eastern island road upgrades; Lawaqa Tilivalevu by-pass and Nadroumai Access Road;
- Buca Bay I, II & Moto Road Upgrades;
- Ba Hospital Road Access;
- Queens Road Villages/ Settlements Streetlights project; and
- NARSUP Suva 3 – Nasinu – Nausori Road Upgrades.

### New Capital Safety

- Guardrail Improvements works;
- Mass Action Treatments;
- Minor Safety Works; and
- TMT Treatment and Black spot Improvements.

The other major highlights for FRA during the 2017/2018 financial year included the following:

### New Capital Programme

- Construction of Urban bus shelters;
- Improve accessibility for pedestrians through building footpaths, pedestrian crossings and street-light upgrades;
- Construction of road humps in Ba, Nadi and Lautoka areas;
- Safety Works Maintenance Contractors
- Access improvements in Maumi/ Nakalawaca; and
- Installation of new solar panel streetlights in Ba.

Building more resilience is critical to sustainability of the road network. One of FRA's initiatives over the past few years has been to undertake preventative works aimed at minimizing the likelihood of failures during rain events. Walkover surveys are undertaken to identify problems with drainage. Completing preventative maintenance works has avoided many failures that would otherwise have resulted in costly repairs.

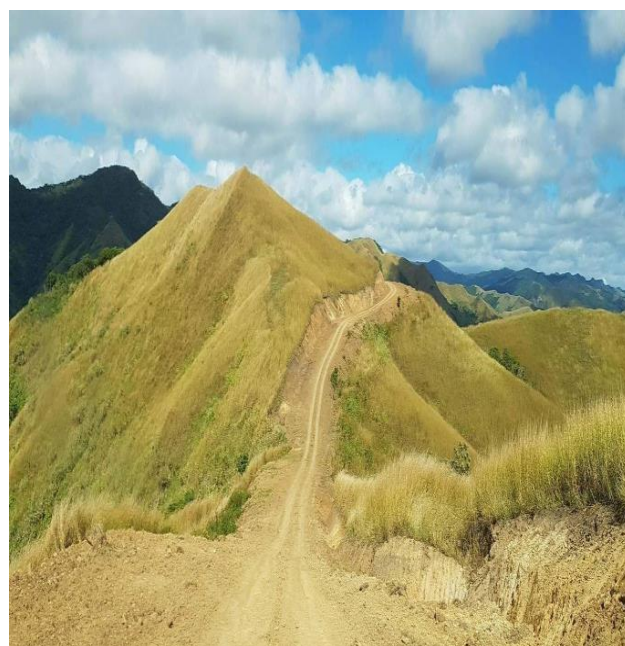
Resilience is also about minimizing the time it takes to get roads re-opened after flooding. Significant progress has been made in this regard and where once it took weeks or even longer to re-open all roads, in most events now it is a matter of days.

Our resilience programme also includes protection works to prevent erosion in coastal zones.





*FRA's first Solar Streetlight Project in Nailaga Village in Ba.*



*Matokana Village Access Road.*

**Table 9 - New Capital Programme**

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Safety Improvements</b>			
Matanikorovatu Road Junction, Omkaar Road Junction, Sonaisali Junction, Natabua Junction	550,459	10,000	-
Navua Hospital Access safety Improvements; right Turn Bay and bus bays/ pedestrian crossing	1,464,220	62,375	-
<b>Installation of Traffic Signals:</b>			
• Nasoso Road	366,972	270,000	-
• Rups 9 Miles	105,505	250,000	-
• Davuilevu Road	261,468	270,000	-
• Construction of Road Humps in Ba, Lautoka and Nadi Area	-	-	65,274
Safety Works Maintenance Contractors	-	730,032	1,520,622
TMP Treatments & Black Spot Reduction FRA 16-35	-	123,438	123,438
VAT	247,376	154,426	153,840
<b>Subtotal – Safety Improvements</b>	<b>2,996,000</b>	<b>1,870,272</b>	<b>1,863,175</b>
<b>Access Improvements &amp; Economic Stimulation</b>			
<b>Rural Unsealed Roads</b>			
<b>Northern</b>			

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<ul style="list-style-type: none"> <li>Periodic Maintenance of Rural Roads FRA 17/72B Unsealed Road Maintenance - Northern</li> </ul>	2,752,294	900,000	280,800
<ul style="list-style-type: none"> <li>16/64 Koroinasolo Road / Kavula Banieka Rd</li> </ul>	504,587	1,398,024	745,715
<ul style="list-style-type: none"> <li>Kilaka Road Stage 3 + crossing</li> </ul>	2,201,835	-	-
<ul style="list-style-type: none"> <li>Kedra-Sese Rd.</li> </ul>	1,651,376	800,000	-
<ul style="list-style-type: none"> <li>18/08 Viani Lea - Qelemumu Basoga and Nasasa Nacula Lakeba,</li> </ul>	1,376,147	-	-
<ul style="list-style-type: none"> <li>18/09 Naviqiri, Nasau Naivaka Road</li> </ul>	1,651,376	600,000	-
<ul style="list-style-type: none"> <li>18/09 Nasealevu-Viriqali</li> </ul>	1,376,147	-	-
<ul style="list-style-type: none"> <li>18/09 Niurua-Raviravi Stage 2 crossings</li> </ul>	1,376,147	-	-
<ul style="list-style-type: none"> <li>Sevaci/Korotasere Road stage 3 FRA 16/101</li> </ul>	-	1,066,225	762,618
<ul style="list-style-type: none"> <li>Sevaci/Korotasere Road Extension - stage 2</li> </ul>	-	-	(60,000)
<ul style="list-style-type: none"> <li>14/12 Raravula Farm Road</li> </ul>	-	-	(137,674)
<ul style="list-style-type: none"> <li>14/11 Namuavoivoi Road</li> </ul>	-	49,231	49,231
<ul style="list-style-type: none"> <li>17-61 Lagi- Duavata Village Access Road</li> </ul>	-	1,542,740	297,000
<ul style="list-style-type: none"> <li>17/62 Dreketilailai-Lekutulevu Rd.</li> </ul>	-	1,000,000	101,000
<b>Eastern</b>			
<ul style="list-style-type: none"> <li>Periodic Maintenance of Rural Roads</li> </ul>	1,376,147	600,000	-
<ul style="list-style-type: none"> <li>18/01 Vunisei - Vacalea</li> </ul>	1,100,917	620,642	322,992
<ul style="list-style-type: none"> <li>18/01 Kadavu - Daku - Jioma Road (Vunisei - Vacalea)</li> </ul>	1,376,147	-	-
<ul style="list-style-type: none"> <li>15/104 Rotuma Farm Roads</li> </ul>	2,385,321	444,258	350,710
<ul style="list-style-type: none"> <li>15/113 Eastern Island Roads Upgrade</li> </ul>	1,834,862	4,476,254	3,855,521
<ul style="list-style-type: none"> <li>16/99 Maumi/Nakalawaca</li> </ul>	366,972	2,136,626	1,953,632
<ul style="list-style-type: none"> <li>16/99 Cautata-Waivoka Road</li> </ul>	458,716	-	-
<ul style="list-style-type: none"> <li>16/99 Nakalawaca Road</li> </ul>	733,945	-	-
<ul style="list-style-type: none"> <li>16/46 Yawe Distict Rd. Stage 1 &amp; 2</li> </ul>	2,110,092	1,730,120	814,703
<ul style="list-style-type: none"> <li>16/46 Nabukulevu-I-Ra Rd.</li> </ul>	366,972	-	-
<ul style="list-style-type: none"> <li>16/46 Kadavu 2015 contract</li> </ul>	348,624	-	-
<ul style="list-style-type: none"> <li>Kadavu-Niurua-Raviravi Stage 2 + crossing</li> </ul>	1,651,376	-	-

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Western</b>			
<ul style="list-style-type: none"> <li>Periodic Maintenance of Rural Roads (FRA 17/70B Unsealed Road Maintenance)</li> </ul>	2,293,578	893,578	729,788
<ul style="list-style-type: none"> <li>"Road Upgrade and Sealing in Western Division- Package 1 - Clopcott Street and Lakeba Circle Road - Vuda Point - Field 28</li> </ul>	-	-	57,500
<ul style="list-style-type: none"> <li>18/07 Veidrala Access Road West Pack 1</li> </ul>	1,146,789	400,000	-
<ul style="list-style-type: none"> <li>18/07 Naunuku-Nalotawa Access Road West Pack 1</li> </ul>	917,431	600,000	-
<ul style="list-style-type: none"> <li>Nalovo Road</li> </ul>	458,716	458,716	-
<ul style="list-style-type: none"> <li>Kavanagasau-Korua Road</li> </ul>	917,431	300,000	-
<ul style="list-style-type: none"> <li>18/17 West Pack2 Nasatogo-Navitilevu Village Access Road</li> </ul>	1,009,174	450,000	-
<ul style="list-style-type: none"> <li>18/17 West Pack2 Vagadra Access Road</li> </ul>	1,440,367	1,250,000	-
<ul style="list-style-type: none"> <li>17/46 Matokana Village Road Stage 2</li> </ul>	2,201,835	1,000,000	288,573
<ul style="list-style-type: none"> <li>17/45 Maintenance Draubuta Access Road</li> </ul>	1,834,862	1,469,619	1,185,500
<ul style="list-style-type: none"> <li>15/49 Nasauvakarua Rd.</li> </ul>	45,872	-	-
<ul style="list-style-type: none"> <li>Lawaqa-Tilivalevu &amp; Nadroumai bypass FRA16/100</li> </ul>	-	278,321	457,564
<ul style="list-style-type: none"> <li>17/90 Tagitagi Road Upgrade</li> </ul>	-	-	230,053
<b>Central</b>			
<ul style="list-style-type: none"> <li>Periodic Maintenance of Rural Roads (FRA 17/71A Unsealed Road Maint)</li> </ul>	-	-	638,803
<ul style="list-style-type: none"> <li>Periodic Maintenance of Rural Roads (FRA 17/71B Unsealed Road Maint)'</li> </ul>	1,834,862	-	1,352,046
<ul style="list-style-type: none"> <li>Sawanikula-Korovou-Nasauvere Rd.+ crossings Stage 2</li> </ul>	1,376,147	750,000	-
<ul style="list-style-type: none"> <li>17/60 Nakorosule-Nawaisomo Rd. Stage 1</li> </ul>	1,192,661	1,556,800	1,146,881
<ul style="list-style-type: none"> <li>17/60 Nakorosule-Nawaisomo Rd. Stage 2</li> </ul>	1,376,147	-	-
<ul style="list-style-type: none"> <li>18/11 Naqelewai - Nasoqo Rd</li> </ul>	1,330,275	1,110,461	-
<ul style="list-style-type: none"> <li>Nukusere-Namuamua Nakavu Access Road</li> </ul>	1,146,789	1,210,461	-

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
• Beqa Steep Hill and (Waibogi-Wainadiro-Naimasimasi Road)	91,743	-	-
• Vuniduba Circular Rd	917,431	1,105,504	-
• Antioki	-	-	-
• Veisa Farm Rd	688,073	-	-
• 16/97 Namata Village Access Road	1,100,917	449,426	447,176
• 16/97 Sawanikula-Korovou-Nasauvere Rd.+ crossings	2,110,092	-	-
• 16/97 Natilla Access Road (Logani-Seba Road)	91,743	-	-
• 16/97 Kiuva-Kaba Peninsula Road	2,477,064	-	-
• 17/59 Namata Village Access Road	-	1,088,020	1,352,340
• 17/58 Natilla Access Road (Logani-Seba Road)	-	902,800	476,766
• 17/66 Kiuva-Kaba Peninsula Road	-	1,003,514	237,400
• 17/75 Nausori Airport Road Diversion Phase 1	-	983,514	228,750
• 17/78 Nausori Airport Road Diversion Phase 2	-	-	600,000
• Maintenance Dakunikoro Farm Road	45,872	1,299,916	-
• Wainivesi & Wainivillimi FRA 16/96	-	1,299,916	1,151,218
<b>Carry over</b>			
• Professional Services Fees - Rural Road Program	-	379,079	405,291
<b>Rural Sealed Road Upgrade</b>			
• School and Healthcare Access Program	1,376,147	1,187,471	2,284,676
• Traction Sealing on Hills	1,376,147	803,746	2,729,941
• Village Seal Extension	2,522,936	893,455	1,935,030
• Sawani - Serea Roads Upgrade	-	(2,211,820)	-
• Buca Bay I and II Roads Upgrade		2,211,820	2,214,572
VAT	5,428,898	3,643,959	2,653,751
<b>Subtotal – Access Improvements &amp; Economic Stimulation</b>	<b>65,750,000</b>	<b>44,132,396</b>	<b>32,139,869</b>
<b>Community Amenity Improvements</b>			
<b>Pedestrian Facilities</b>			
• Footpaths	8,715,596	-	-

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
• Footpaths Via Maintenance contractors	-	577,910	832,153
• FRA 17/22 - Northern Division	-	2,800,000	1,620,106
• FRA 17/68 - Western Division	-	1,105,000	701,736
• FRA 17/79 - Central Division	-	1,050,000	293,397
• Cunningham Road Footpaths - FRA 16/59	-	705,000	463,299
• Footpath Widening Construction Votualevu - FRA 16/95	-	2,500,000	2,031,078
• FRA 17/88 Central Division	-	300,000	-
• FRA 17/104 Western Division	-	300,000	-
<b>Improve Access for People with Disabilities</b>			
• Bus Stops and Bus Shelters	935,780	736,796	288,269
• FRA 17/76 - Construction of urban bus shelters -84	-	1,767,640	720,925
• FRA 17/103 Construction of Bus Shelters along Denarau Nadi & Moto road Ba	-	63,435	63,435
• Pedestrian Crossing	91,743	91,743	176,455
• Signage	550,460	450,650	450,650
Jetty Waiting Facilities - Natovi	440,367	200,000	-
ADB Road Sealing Projects - Peri-Urban and Rural Areas	6,422,018	-	-
Fairy Lights	275,229	-	-
<b>Street Lights</b>			
• Street Lights - Ongoing Contracts	825,688		684
• FRA 17/47 Queens Road Villages/Settlements (2015/16)	4,633,028	2,050,675	1,049,750
• FRA 17/48 Kings Road Villages/Settlements	5,091,743	3,787,410	520,936
• FRA 17/54 Navua Streetlight	-	245,080	226,047
• Vanualevu from Labasa to Savusavu FRA 17/69	1,834,862	1,272,284	38,000
• Village St Lighting Works Western FRA15/84 Loan	-	303,766	494,311
• Village St Lighting Works Western FRA15/84 Local	-	-	(420,077)
• FRA 16/93A Supply of LED Luminaries	-	2,586,372	2,819,146
• FRA 16/93B Supply of poles outreach arm & Bolts	-	4,044,185	4,148,021



New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<ul style="list-style-type: none"> <li>FRA 17/53 Nailaga Solar Streetlight</li> </ul>	-	540,556	540,556
<b>Peri - Urban Street Lightening</b>			
<ul style="list-style-type: none"> <li>Nausori Areas (wainibokasi &amp; Vuci) FRA 17/98</li> </ul>	1,376,147	538,778	48,978
<ul style="list-style-type: none"> <li>Nausori - Suva Corridor (Nadera, Nadawa, Nasinu, Davuilevu, Kalokalo Crescent)</li> </ul>	2,752,294	-	-
VAT	3,055,045	2,521,554	1,539,707
<b>Subtotal - Community Amenity Improvements</b>	<b>37,000,000</b>	<b>30,538,833</b>	<b>18,647,560</b>
<b>Congestion and Capacity Improvements</b>			
<b>Road Corridor Improvement</b>			
<ul style="list-style-type: none"> <li>NASRUP Suva 3 (Nasinu - Nausori)</li> </ul>			
- Contract Amount	12,110,092	9,312,223	6,181,957
- Utilities Relocation		1,329,172	1,663,136
- Land Purchase		451,120	194,346
- Professional Services - OPUS		270,843	1,056,171
<ul style="list-style-type: none"> <li>Fencing Reinstatement - FRA 38/13 Contract Amount</li> </ul>	-	-	98,941
<b>Nadi - Lautoka Corridor Plan Implementations</b>			
<ul style="list-style-type: none"> <li>Detailed Engineering and Geotechnical studies of Four Laining Options for remaining Nadi - Lautoka Corridor</li> </ul>	229,358	-	-
<ul style="list-style-type: none"> <li>Formalise and improve 69 intersections Nadi - Lautoka</li> </ul>	1,319,266	-	-
<ul style="list-style-type: none"> <li>Gateway treatments University of Fiji and Lauwaki including delineation improvements</li> </ul>	243,119	-	-
<ul style="list-style-type: none"> <li>Two new pedestrian refuges Lauwaki village and one new zebra crossing at University of Fiji</li> </ul>	215,596	-	-
<ul style="list-style-type: none"> <li>Speed management Wailoko Rd to Dreketi Feeder Rd Lautoka; right turn bays Dreketi Feeder Rd. Speed management Navutu Rd to Vitogo Pde Lautoka</li> </ul>	118,807	-	-
<ul style="list-style-type: none"> <li>Right turn Bays Wairabetia Rd, Field 40 Rd Lautoka</li> </ul>	275,229	-	-
<ul style="list-style-type: none"> <li>Four lane and By-pass Lauwaki to Lautoka including University of Fiji</li> </ul>	733,945	-	-

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<ul style="list-style-type: none"> <li>Kings Rd/ Vitogo Parade Signalisation</li> </ul>	22,477	270,000	-
<ul style="list-style-type: none"> <li>Intersection capacity improvement - Vomo St/ Namoli Ave Dog Bone</li> </ul>	25,688	25,688	-
<ul style="list-style-type: none"> <li>Speed management Navutu Rd to Vitogo Pde Lautoka</li> </ul>	27,523	27,523	-
<ul style="list-style-type: none"> <li>Improvements along Ratu Dovi Road (Nadera - Laqere Junction)</li> </ul>	917,431	-	-
<b>Labasa Transportation Study - Implementation of Recommendations</b>			
<ul style="list-style-type: none"> <li>Improve Naduna Rd - Nasekula Rd - Labasa River Bridge - Bulileka Rd: 26 intersections, pedestrian crossings and improved delineation. Gateway treatment on western approach to Labasa</li> </ul>	642,202	-	-
<ul style="list-style-type: none"> <li>Right turn bays on 8 intersections Naduna Rd to Bulileka Rd (2017-2019)</li> </ul>	275,229	-	-
Traffic Signals and SCATS Improvement (ADB)	298,165	-	-
VAT	1,570,872	1,051,791	827,510
<b>Subtotal - Congestion and Capacity Improvements</b>	<b>19,025,000</b>	<b>12,738,360</b>	<b>10,022,062</b>
<b>Tourism, Amenity and Access Improvements</b>			
<b>Road Corridor Improvement</b>			
NASRUP Nadi 2 (Nadi Airport - Wailoaloa)			
- Contract Amount	50,458,716	34,091,096	25,148,666
- Utilities Relocation	-	-	596,980
- Land Purchase	-	2,841,138	1,785,469
- Professional Services	-	214,300	1,183,253
NASRUP Nadi 1 (Nadi Wailoaloa - Denerau)	-	3,082,924	2,982,339
Formalise and improve 20 intersections Denerau Rd including delineation improvements. Enhance existing pedestrian crossing Ratu Navula school	201,376	50,000	-
Suva Seawall and Footpath Upgrade	716,055	-	-
VAT	4,623,853	3,625,151	2,852,704
<b>Subtotal - Tourism, Amenity and Access Improvements</b>	<b>56,000,000</b>	<b>43,904,608</b>	<b>34,549,411</b>

New Capital	Corporate Plan Budget (\$)	Revised Budget (\$)	Expenditure (\$)
<b>Risk Reduction, Resilience and Asset Preservation</b>			
<b>Physical Works</b>			
Coastal Protection - Vanua Levu	917,431	658,754	204,539
VAT	82,569	59,288	18,408
<b>Subtotal - Risk Reduction, Resilience and Asset Preservation</b>	<b>1,000,000</b>	<b>718,042</b>	<b>222,947</b>
<b>Total New Capital</b>	<b>181,770,999</b>	<b>133,902,512</b>	<b>97,445,023</b>



*Construction of new bus shelters as part of new capital programmes.*



*Villagers of Draubuta with FRA representatives and contractors at the new access road*



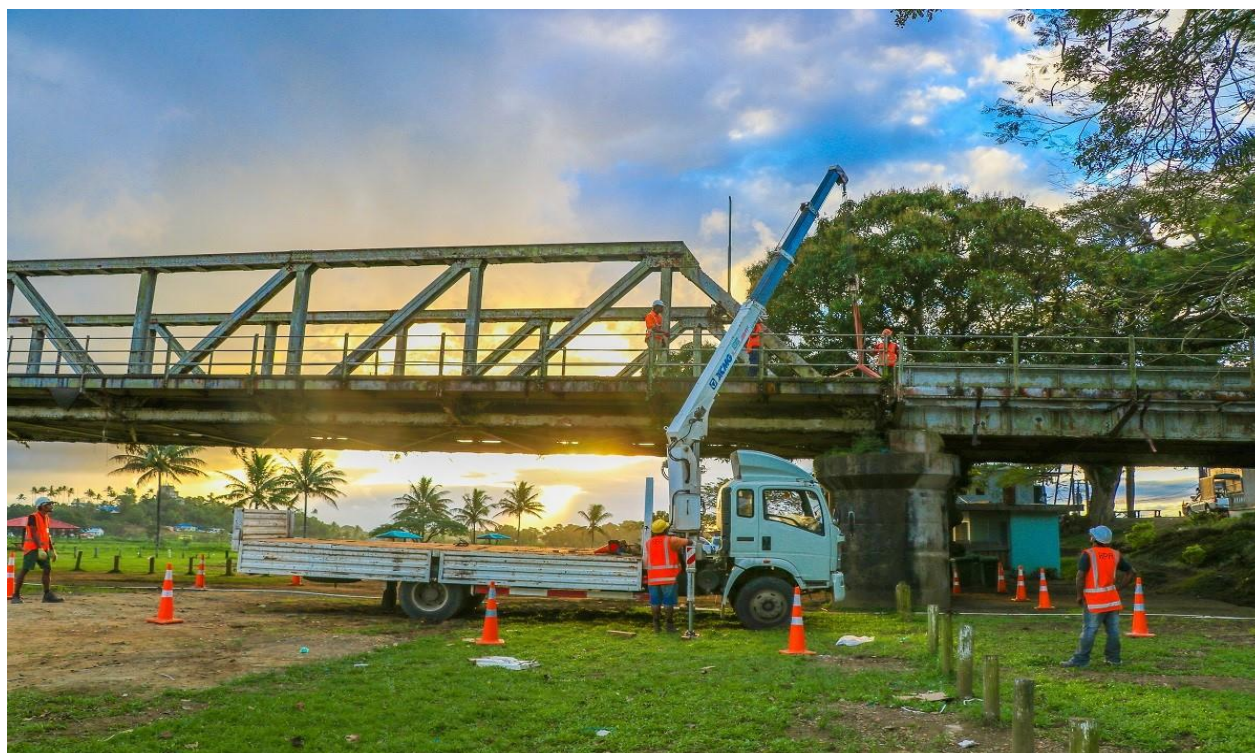
*Waimanu-Brown and Brown-Amy Street roundabouts and new lane markings.*



## Summary

Table 10 - Summary

Summary	Corporate Plan Budget	Revised Budget	Expenditure
<b>Budget and Expenditure</b>			
Management	26,772,478	26,772,478	17,203,575
Maintenance	80,000,000	111,096,858	121,746,091
Emergency works	35,510,000	28,011,584	38,476,104
Renewals and Replacements - Roads	139,119,000	127,239,824	143,590,989
Renewals and Replacements - Bridges	53,276,159	15,605,516	16,762,154
Renewals and Replacements -Jetties	11,100,000	1,449,705	644,152
New Capital	181,770,999	133,902,512	97,445,023
<b>Total</b>	<b>527,548,636</b>	<b>444,078,476</b>	<b>435,868,088</b>
<b>Funding</b>			
Operating Grant	26,772,478	26,772,478	17,203,574
Capital Grant	401,774,999	405,172,282	414,556,018
Capital Grant - TC Winston	13,850,000	3,027,898	-
ADB / WB Loans	85,151,159	9,105,818	4,108,496
<b>Total</b>	<b>527,548,636</b>	<b>444,078,476</b>	<b>435,868,088</b>



*Dismantling of concrete panels at the entrance on the old Rewa Bridge*



## Levels of Service - Accountability

### Health and Safety

**Table 11 - Health and Safety – Road Accident Casualties**

Code	Performance Measure	2017/2018 target	Outcome
1A.1	Less fatal and serious injury accidents – total.	Continuously reducing five year rolling average (in total initially and when more accurate information available per vehicle kilometre travelled as well).	Not achieved
1A.2	A reduction in the social cost of all recorded injury crashes.	Continuously reducing five year rolling average. Calculated based on internationally recognised accident costs.	Not achieved

The road accident data is collected by the Fiji police and recorded in a database maintained by them.

#### In recent years fatalities have not been decreasing

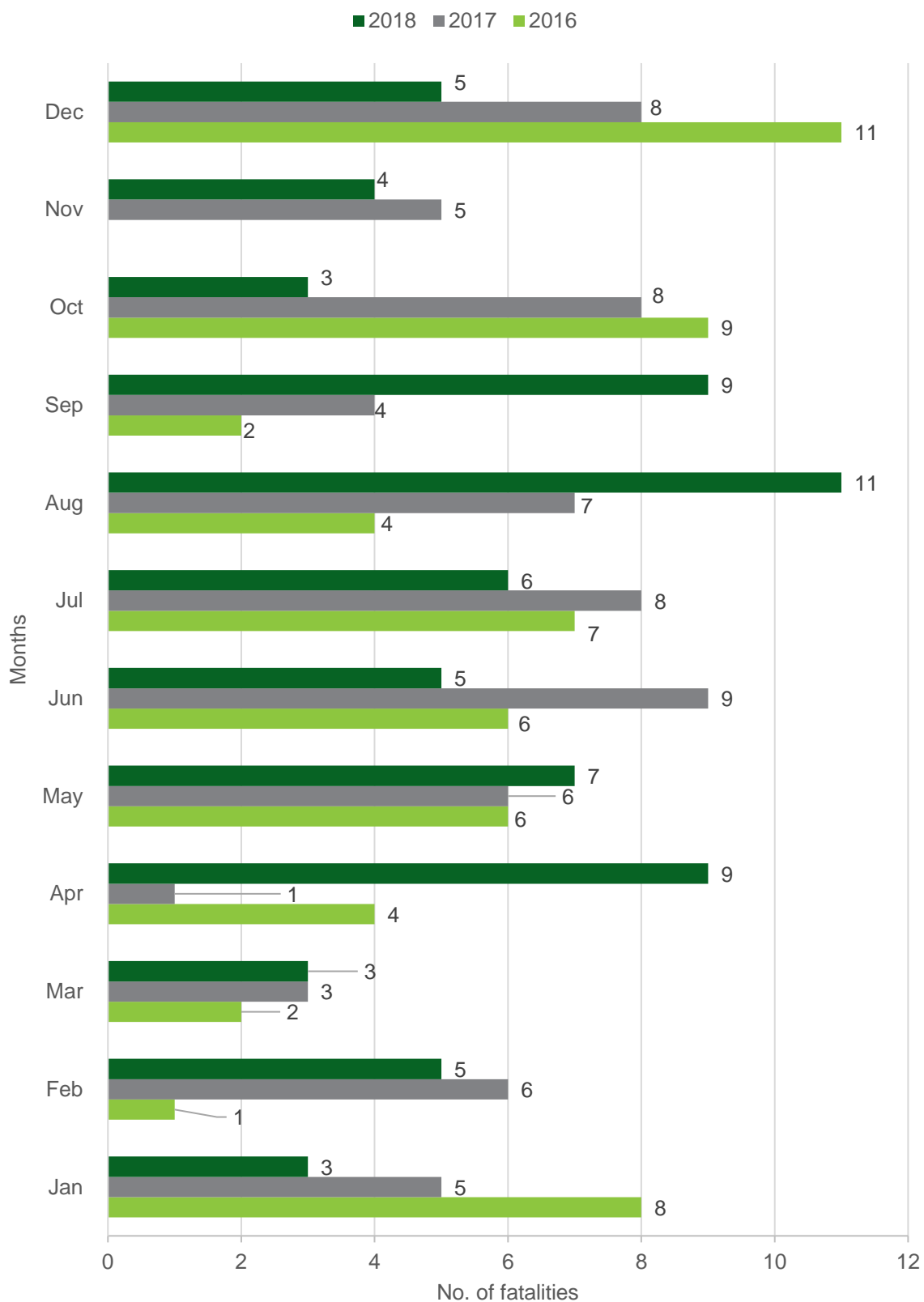
There has been apparent slowdown in the reduction of fatalities on the roads. Road fatalities numbers seemed to stay stagnant at 70 deaths in 2018 compared to the same period last year. FRA had signalled concern that the previous downward trend in road deaths was showing signs of reversal. This appears to now be confirmed. With more vehicles on the roads, there is a clear need to increase investment in all aspects of road safety.

The 2017/2018 financial year saw a few initiatives in improving road safety for both drivers and pedestrians through new capital safety projects. Some of which included the installation of new pedestrian crossings and widening footpaths, improvement in night vision and visibility through continuous installation of street lights and more.

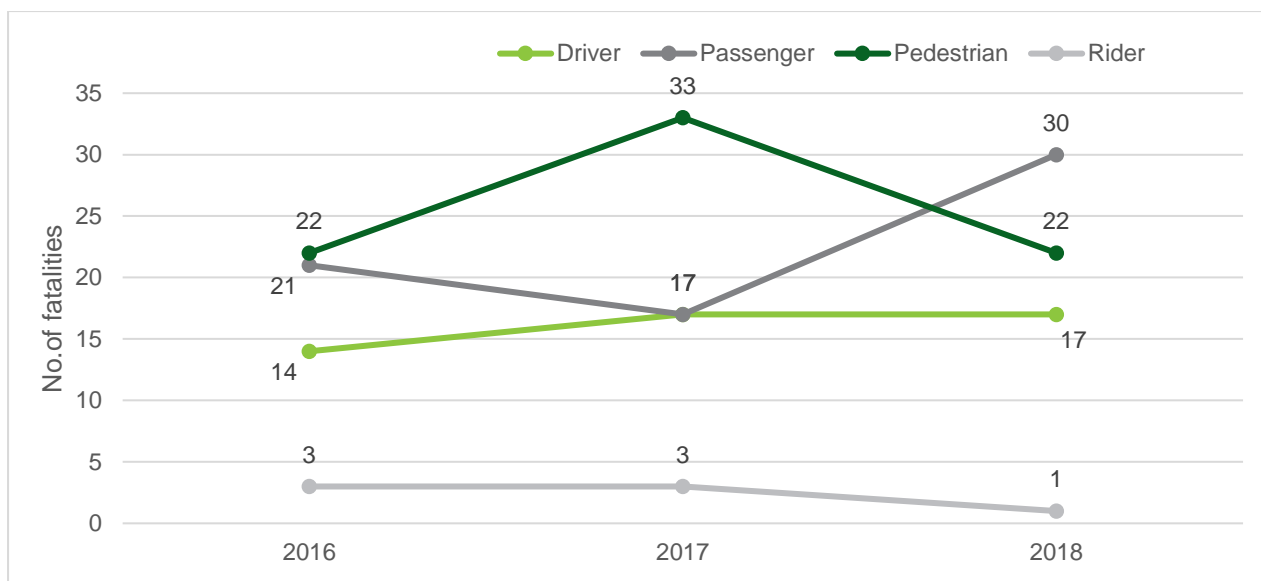
Health and safety is our highest priority, however it will take several more years before we have established a fully measurable and transparent performance measurement regime at this secondary, output based, level.



**Figure 5 – Road fatalities for the years 2016 to 2018**



**Figure 6 - Fatalities by victim type during the years 2016 to 2018**



**Table 12 - Causes of road fatalities during the years 2016 to 2018**

Causes of Fatalities	2016	2017	2018
Speeding	24	31	32
Drunk & Drive	2	12	15
Dangerous Driving	11	3	4
Careless Driving	3	3	5
Pedestrian at Fault	2	7	6
Drunkard Pedestrian	-	2	2
Improper Overtaking	1	1	0
Driver's Fatigue	4	1	4
Improper Turning	1	2	0
Neglect of Parents	3	3	1
Mechanical Defect [tyre]	-	-	-
Hit & Run	9	4	1
Inconsiderate Driving	-	1	-
<b>Total</b>	<b>60</b>	<b>70</b>	<b>70</b>



*Queen Elizabeth drive safety works*



*Road signs in relation to FRA's initiative in improving road safety and reducing casualties.*

## Asset Stewardship

Table 13 - Asset Stewardship - Outcomes

Asset Provision, Development, Maintenance and Renewal (Asset Stewardship) – Outcomes			
Code	Performance Measure	2017/2018 target	Outcome
2A.1	An annual reduction in the value of deferred maintenance/ deferred renewals.	Yes	Partially achieved
2A.2	The percentage of planned new capital and renewal projects completed.	100%	Partially achieved
2B.1	Bridges' condition improved as evidenced by the categorisation changes: <ul style="list-style-type: none"> <li>• High Priority Bridges</li> <li>• Medium Priority Bridges</li> <li>• Low Priority Bridges</li> </ul>	9.33% 1.85% (1.57%)	Partially Achieved

### Investment in renewing the network as the annual depreciation provision

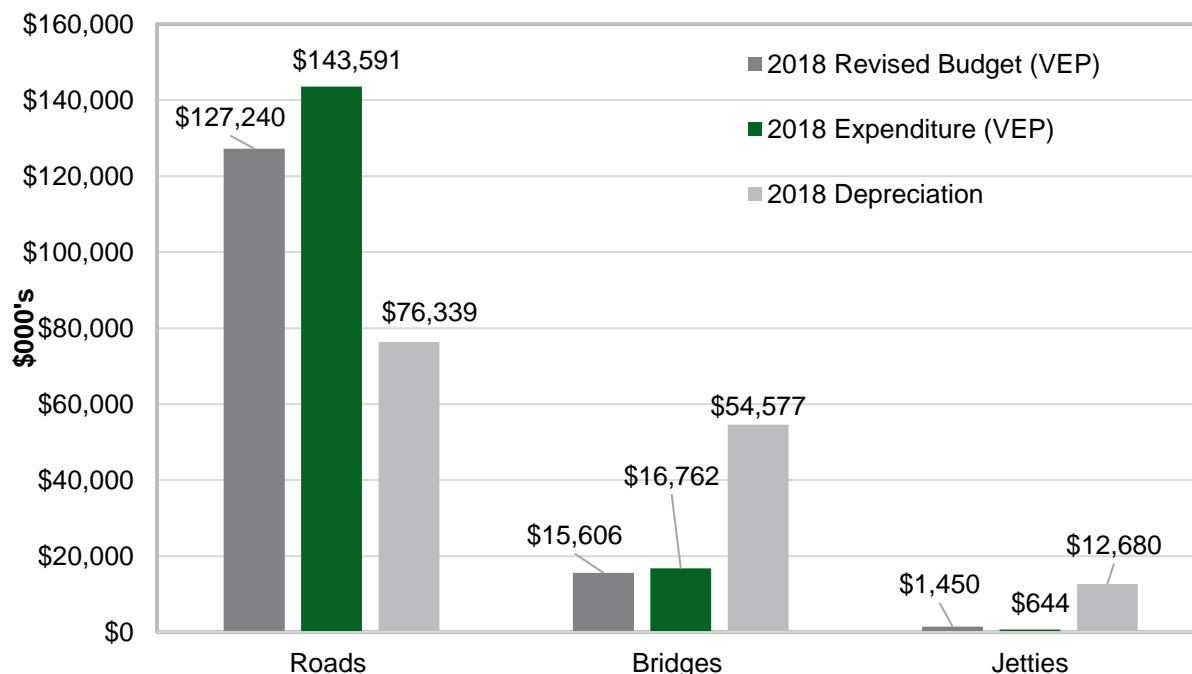
The sufficiency of the FRA's annual maintenance and renewal budget is determined by comparing the depreciation provision (the extent to which the assets are being 'consumed' or continuing to wear out every year) with the annual renewals and replacement expenditure.

If the two are 'in sync' over time the current state of the network is being maintained. If renewals expenditure is less than depreciation provision, the network is continuing to deteriorate (and the 'backlog' will have increased). If the renewals expenditure exceeds the depreciation provision, then the network is being improved.

In the 2017/2018 financial year, FRA invested more than \$258 million (VEP) in renewing its assets. Renewals for roads, bridges and jetties totaled approximately \$161 million (VEP) This is more than the annual depreciation provision; hence the network has improved. The backlog has decreased, and the network is recovering providing investment continues to be applied at levels greater than the annual depreciation (see Figure 7).

The greater knowledge we now have of our assets have allowed recalculation of annual depreciation through the revaluation been undertaken in 2013. This indicates that higher levels of renewal investment is required if the backlog of deferred maintenance and renewal is to be reduced significantly.

**Figure 7 - Renewal investment and depreciation for FRAs 3 main asset classes**



**Notes:**

1. 'Roads' includes roads and associated assets including streetlights, signals, drainage, etc.
2. 'Bridges' includes crossings, bridges, pedestrian bridges and bailey bridges.

### The capital works programme was successfully delivered although there were a few exceptions

From a standing start in 2012, FRA has built over \$380 million programme for New Capital and Renewals. This includes a number of major rural and urban projects of substantial complexity.

Measuring the number of planned projects completed is more difficult as many of these projects are multi-year projects. A number of capital projects are also non-physical work items for during the 2017/2018 financial year. These are projects which are in the development

pipeline for later construction. Consequently, we have assessed performance on the basis of completion of planned work on projects, rather than project completion.

FRA has recognized the need for more sophisticated project management tools to aid in monitoring and reporting on performance against programme. An enterprise management system has been planned to be implemented which will allow for a much greater level of scrutiny to be applied and a consequently greater level of detailed reporting on aspects of programme delivery.

There were a number of projects that suffered delays during the period and

while this is expected in a programme of this scale and complexity there remains a drive for continuous improvement.

### Planned maintenance work was completed

During 2017/2018 financial year, \$111 million (VIP) of maintenance works were

budgeted and all were completed. Achievement in some key areas of activity are shown in Table 14 below. Previously FRA has reported achievements along with the prior year achievements. However, current year achievements are for the 7 months period and therefore data for comparative purposes would be distorted.

**Table 14 – Maintenance Activity Achievements**

	Maintenance Activity	Unit of measure	2017/2018 achievement
1	Potholes repaired	no.	313,777.35
2	Line marking	km	12,492.78
3	Grading	km	48,353.22
4	Gravel spread on Unsealed Roads	m3	14,182.15
5	Drain cleaning	km	1,197,625.31
6	New culverts	m	23,011.77

### Complaints about potholes increased slightly in the 2017/2018 financial period

At FRA we record all complaints received into our Service Request (SR) system in relation to the potholes. These complaints are directed to the responsible officer and then progress to resolve them is tracked within the SR system. During the period, our SR system recorded 275 complaints, for which 220 were addressed and resolved.

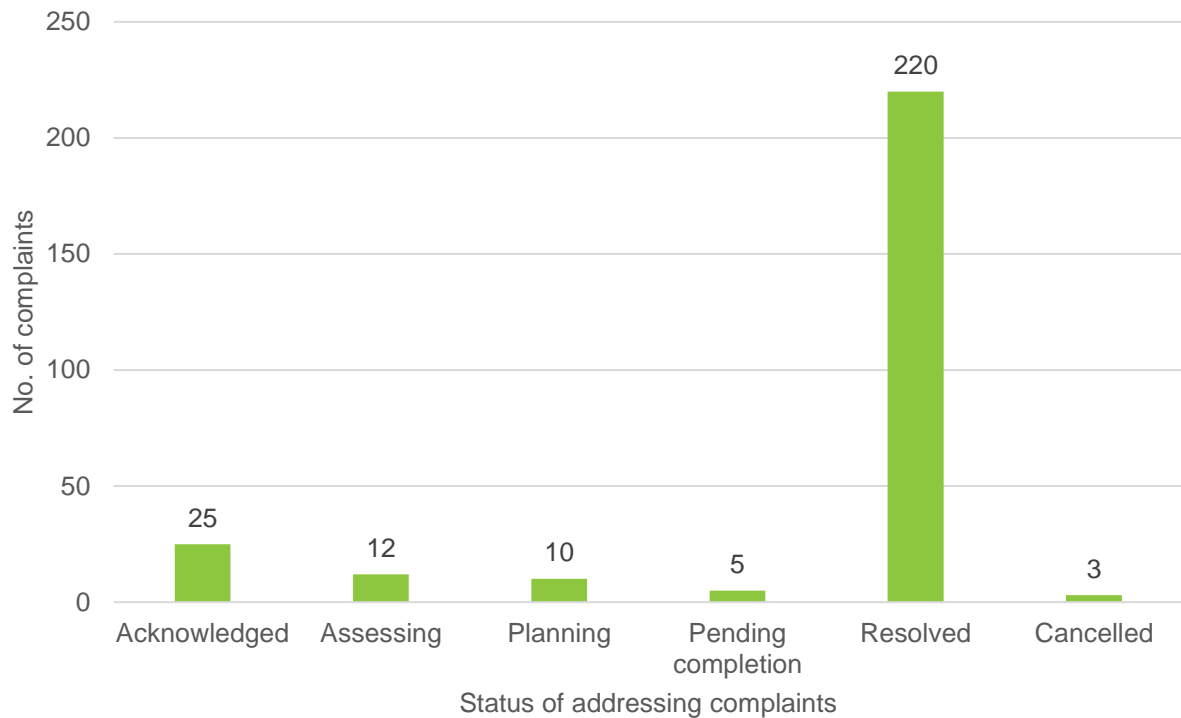
Due to the overall condition of the existing road network being poor, there has

always been a 'backlog' of pothole repair work, particularly in smaller, low traffic volume roads. After periods of rain, especially after many TC depressions in the 2017/2018 financial year, we see new potholes across the network; but our priority has been to address the arterial roads and other high traffic roads before moving into side streets etc. The complains received in relation to the potholes thus increases year by year and so does the pothole repair cost.

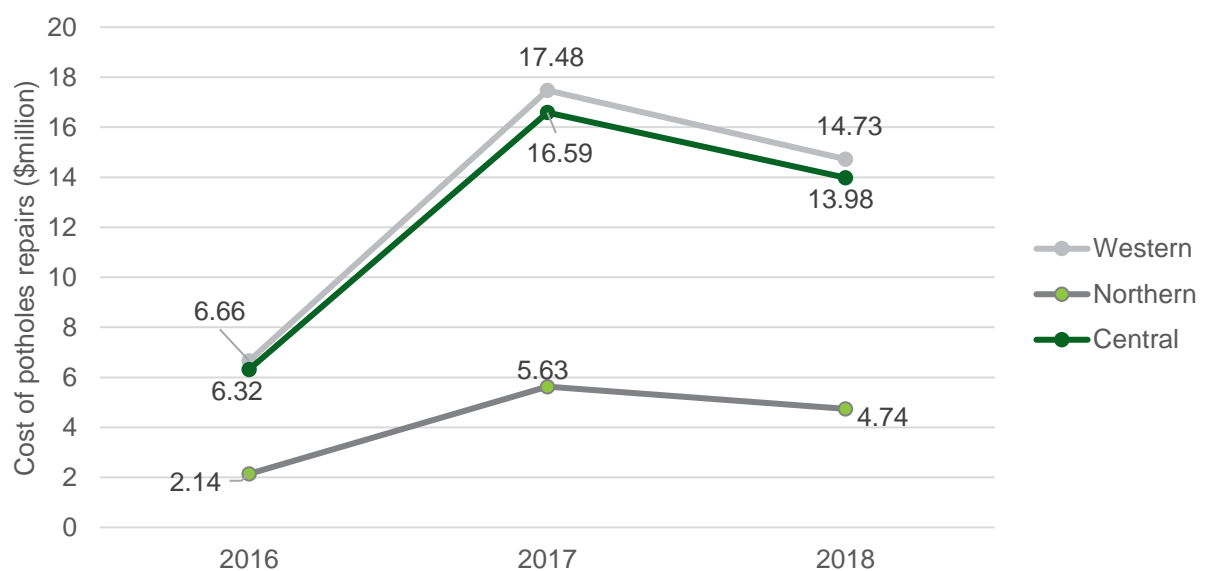




**Figure 8: Complaints received through FRA SR System and status of these complaints**



**Figure 9: Cost of Potholes Repairs during the years 2016 to 2018 in the Northern, Central and Western Divisions**



	Particulars	Total
<b>Bridges</b>	Bailey Bridge	7
	Concrete beams and	193
	Footbridge	14
	Other	33
	Steel beams and concrete deck	189
	Steel beams and timber deck	88
<b>Total bridges</b>		<b>524</b>
<b>Culverts</b>	Armco Culvert	31
	Box Culvert	150
	Ford	15
	Irish crossing	133
	Multi arch culvert	119
	Other	13
	Pipe culvert	179
	Single arch culvert	4
	<b>Total culverts</b>	<b>644</b>
	Null	85
<b>Total bridges / culverts</b>		<b>1,253</b>

## Bridges' conditions

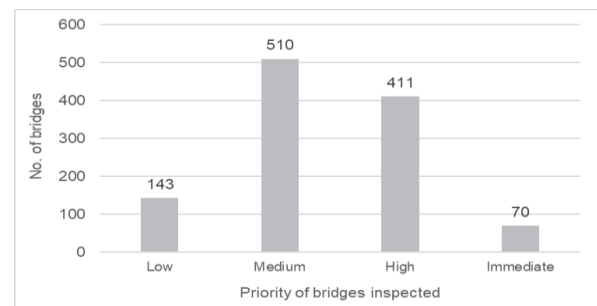
The goal of FRA's bridge programme is to reduce the number of high priority bridges through repair or replacement, i.e. we want to see a trend towards more bridges being categorized as low-medium priority.

FRA engages consultants to complete general inspections of bridges/ major culverts in the Central, Eastern, Northern and Western Divisions (this includes redundant and not found structures). The actual number of bridges / major culverts owned FRA as at the financial year ended 31 July 2018 was 1,253 for which the breakdown is as follows:

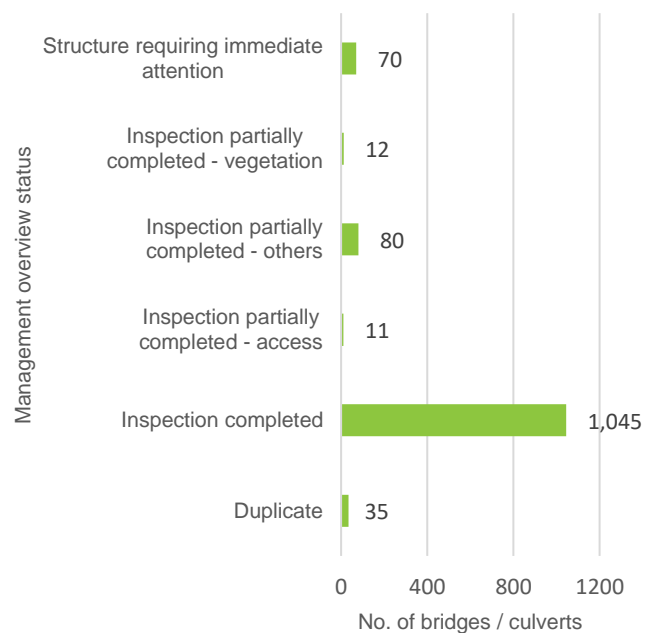
**Table 15 – Bridges / Culverts owned by FRA**

Out of the 1253 bridges / major culverts, 1,134 were inspected by the consultants. It was highlighted that about 6% (i.e. 70 bridges / culverts) of those which were inspected required immediate attention due to severity of defects. These structures carry high safety and operation risks. There were 36% of the bridges/ major culverts with high priority elements requiring repair while 45% of the bridges/ major culverts with medium priority elements.

**Figure 10: Bridges / Culverts inspected during 2018**



The management's overview on the inspection were as follows:



## Service Quality

**Table 16 - Service Quality: Aesthetics, Reliability, Responsiveness and Capacity**

Service Quality - Including: Aesthetics, Reliability, Responsiveness and Capacity			
Code	Performance Measure	2017/2018 target	Outcome
3A.1	Reduced congestion by route	To be determined	Not measured
3A.2	Not less than 60% of the stakeholders surveyed (periodically) rate the overall service as 'satisfactory' or 'very satisfactory'.	60%	Not measured

### Congestion is increasing and will become a priority issue over the coming years as Fiji grows

As Fiji grows and develops, car ownership, usage and the amount of goods being transported around the country also increases. Accommodating this growth on the transport networks has been a challenge, especially in the urban areas and the main arterial routes which connect cities, towns, airports and ports.

A degree of congestion on the roads is inevitable and there would be a need to expand the capacity where it is right to do so. However, it will also be important for Fiji to recognize that countries across the world have come to realize that building roads alone will not solve congestion. We need to make more efficient use of what capacity we have. This simply means that we need the following:

- better and more attractive public transport;
- a more efficient haulage industry;
- reducing the need to travel through initiatives such as teleworking and teleconferencing;
- better integration between land use development and transport; and

- peak spreading (encouraging people to travel outside peak times).

At FRA we recognize that congestion is a multi-agency issue. We are engaged in working with other agencies such as LTA, Police, Ports Authority and Town and Country Planning to manage congestion in urban areas. We are also engaged in a major programme of road widening and other capacity improvements in Suva, Nadi and other urban centers and arterial roads. This effort will ensure that Fiji's road infrastructure provides 'headroom' for economic growth. However more innovative solutions will be needed going forward.

### A road user satisfaction survey will be a key measure of the public perception of our performance

FRA's customers are all users of roads, including

- pedestrians using footpaths and roads;
- RSL and taxi passengers in rural and urban areas;
- city commuters on buses and in cars; and



- businesses who rely on roads and jetties to get their goods to and from ports and markets.

We are committed to engaging with these customers to get their feedback on quality

of service. A road user satisfaction survey will provide a key indicator of how people perceive our performance. This is scheduled to be conducted later in the year.

## Compliance

Table 17 – Compliance: Training, Record Keeping, Data Management & Reporting

Compliance - Including: Training, Record Keeping, Data Management & Reporting			
Code	Performance Measure	2017/2018 target	Outcome
4A.1	Compliance with all legislative, regulatory and other requirements.	100%	Achieved

### We report 100% compliance with all legislative regulatory and other requirements and no known pending non-compliance

In some areas the legal requirements are unclear because consequential legislative changes are still to be made to other Decrees as a result of the establishment of the FRA – especially relating to transfer of ownership and management of all the municipal roads to the FRA and the FRA's relationship with LTA.

### Overloading of heavy goods vehicles

Illegal overloading and loading exemptions continue to result in damage to roads and structures. We estimate that the cost of this damage is over \$50 million each year. This effectively represents a hidden transfer subsidy to industries such as logging and sugar which benefit from lower haulage costs. FRA considers that these road damage costs should be managed through better enforcement and compliance, or otherwise captured within the appropriate industry so that better decisions are being made. FRA's responsibility for enforcement of vehicle load limits has been removed from the Act (see Appendix A). However, we are still playing a central role in a multi- agency approach to this problem and will continue to do so with the goal of reducing abnormal damage to roads and structures.

## Financial

Table 18 - Financial – Economic Value for Money

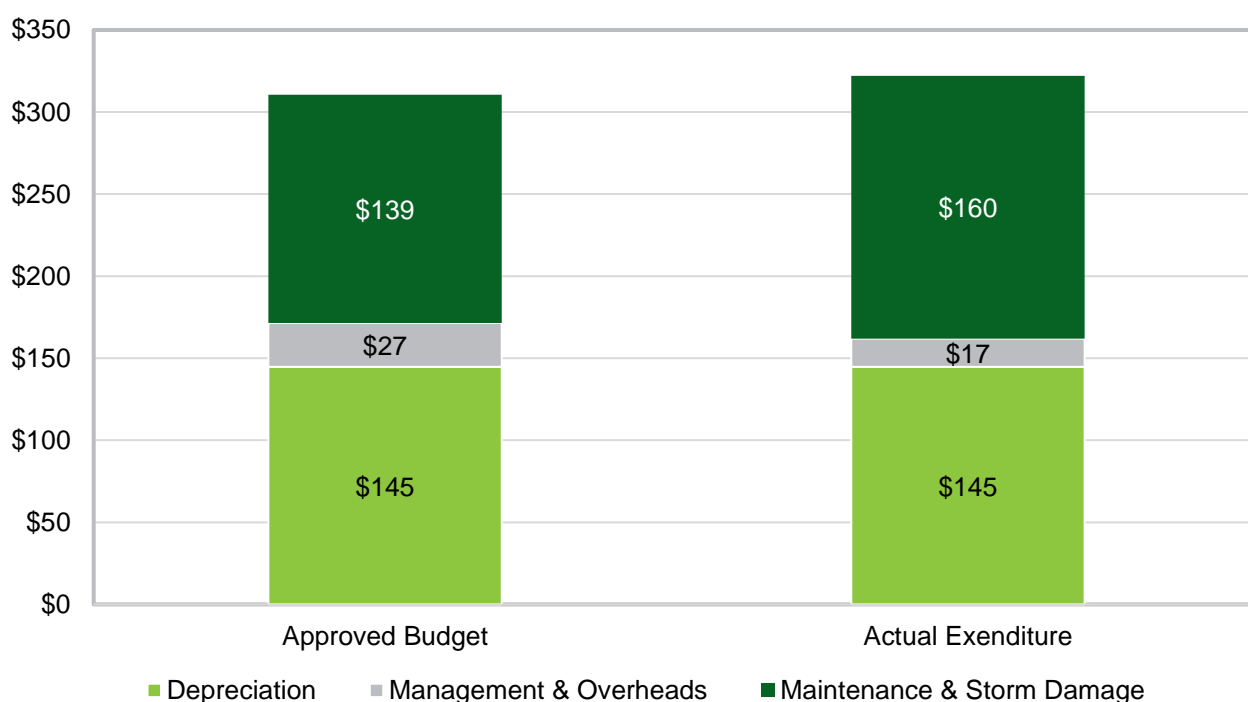
Financial - Economic Value for Money			
Code	Performance Measure	2017/2018 target	Outcome
5A.1	Total operating costs were within the approved total budget.	Yes	Achieved
5A.2	New capital and renewal projects were completed within the approved total budget.	Yes	Achieved

### Total FRA operating expenditure was within annual approved budget

In this context operating costs include the costs of the FRA business unit and the

costs of maintaining the network (including storm damage and depreciation). Comparison of budget and expenditure is shown in Figure 11. The approved budget for these works were \$311 million while the actual expenditure was \$322 million.

Figure 11 - FRA 2017/2018 operating budget and expenditure (\$m VIP)





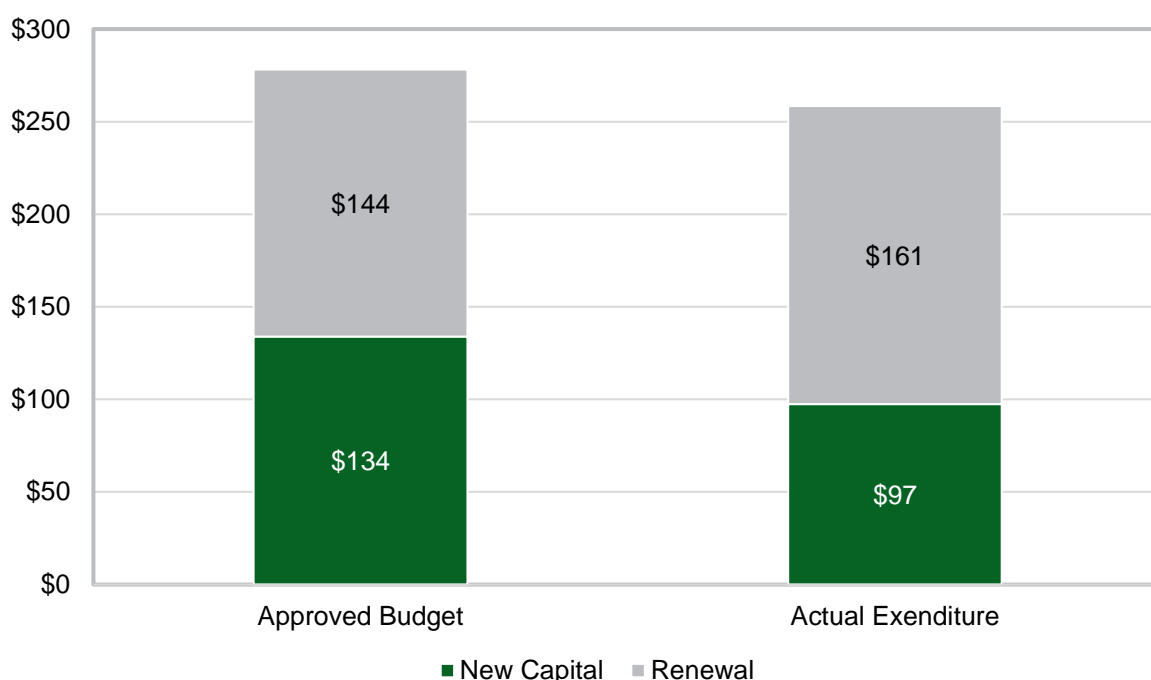


### Total FRA capital and renewal expenditure was within annual approved budget

'Approved Budget' means the revised 7 months budget for the change in financial year end. Capital and renewal

expenditure was 93% of the 2017/2018 revised budget. The comparison of the budget and expenditure is shown below in Figure 12.

Figure 12 – FRA 2017/2018 capital and renewal budget and expenditure (\$million VIP)



### Comprehensive independent revaluation of assets was undertaken in 2015

The FRA's auditors (The Fiji Auditor General) have qualified the accounts between 2012 – 2014 because they couldn't be satisfied there are sufficient documentation to appropriately substantiate the value of the FRA's property, plant and equipment.

The first valuation of FRA's was undertaken in 2015 – \$12 billion.

AS per FRA's revaluation policy the assets revaluations will be carried out after 3 years. The next revaluation was expected to be carried out in the 2017/2018 financial year. However, this is currently pending as FRA currently focuses on other projects in improving the safety structure and repairing damages made by TC Keni, TC Josi and other damages from natural disasters.

## Specific Tasks

**Progress has been made, but performance on specific tasks for 2017/2018 financial year has not been as good as hoped**

We set ourselves a number of specific tasks at the beginning of the year.

The table 19 below provides details on the specific performance targets and the performance results. Although good progress has been made, overall achievement was not as good as we had hoped. Over the course of 2017/2018 financial year, FRA was still in the process of building the organizational capacity to deliver on all our targets.

**Table 19 - Specific Tasks for 2017/2018**

2017/2018 Specific Performance Target	2017/2018 Performance Result
<b>Governance</b>	
1) Appoint CEO	Achieved. Mr Jonathan Moore was appointed as the CEO for FRA in October 2017.
2) Prepare the 2017/2018 Annual Report by 30 April 2019.	Not achieved. Due to FRA's structural and personnel changes, this was delayed. A further delay was caused due to delays in Audit.
3) Adopt the Corporate Plan and Statement of Corporate Intent for 2017/2018 before July 2017.	Not achieved. Due to FRA's structural and personal changes this was delayed.
4) Clarify the FRA's Legislative and Regulatory Responsibilities. (Amendments required to the Local Government Act and several other Acts as a result of enactment of the Fiji Roads Authority Act)	On-going.
5) Resolve outstanding issues with Municipal Councils' contributions and delegated functions.	On-going.
6) Implement the final reorganisation plan for FRA's management and ensure a smooth transition.	On-going.

2017/2018 Specific Performance Target	2017/2018 Performance Result
<b>Technical</b>	
1) Adopt a new Roads' Classification System.	Completed specifications. Adopted the VicRoads plan.
2) Adopt and complete the implementation of an integrated Enterprise system for asset management, project planning and management and associated functions. (The exact breadth still to be decided).	Pending.
3) Continue to stress to the Government the urgent need to address the serious damage being done to the roads by overweight vehicles.	On-going.
<b>Financial</b>	
1) Implement a more 'user friendly' system of reporting expenditure against budget.	Achieved through the implementation of the NAVISION system.
<b>General Management</b>	
1) Update the Asset Management Plan to meet the timeframes for the 2017/2018 budget submissions.	Achieved. AMP prepared for 2018 to be reviewed.
2) Complete the annual review of the 'Operations', 'Staff' and 'Risk Management' manuals.	Pending.
3) Ensure effective processes are in place enabling the reporting of actual performance against the performance measures and targets listed in both the Corporate Plan and in the Asset Management Plan.	On-going.
4) Agree a programme of Independent Audits of the FRA's work for the year and ensure weaknesses raised in them, and in the Auditor General's (OAG's) Audits (including in the OAG's 'Performance Audit' carried out in 2015) are promptly addressed.	Financial audit – Achieved. Performance audit is yet to be carried out by OAG.

2017/2018 Specific Performance Target	2017/2018 Performance Result
5) Ensure effective management of the Business Improvement Control, the Audit Control and of the Improvement Plan in the Asset Management Plan.	On-going.
6) Implement (and more assertively manage) a new format for reporting projects' progress.	Achieved, however this is an on-going process.





## Financial Statements

57	Director's Report
58	Independent Auditor's Report
61	Statement of Comprehensive Income
62	Statement of Changes in Equity
63	Statement of Financial Position
64	Statement of Cash Flows
65	Notes to and Forming Part of the Financial Statements



## **FIJI ROADS AUTHORITY DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2018**

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### **Formation of Fiji Roads Authority**

Fiji Roads Authority was established by the Fiji Road Authority Decree 2012 (as amended by the Fiji Roads Authority (Amendment) Decree 2012 ("Principal Decree" also known as "the FRA Decree"). It was formed as a corporate body with perpetual succession and a common seal as at 5 January 2012.

The directors present their report together with the financial statements of Fiji Roads Authority ("the Authority") for the year ended 31 July 2018 and the auditors' report thereon.

### **Directors**

The names of the directors any time during the period and up to the date of this report are:

Mr Ariff Ali - Chairperson  
Mr Aptinko Vaurasi - Member  
Mr Efray'im Efray'im - Member  
Ms Preetika Prasad - Member  
Mr Kamal Gounder - Member

### **State of affairs**

In the opinion of the directors:

- there were no significant changes in the state of affairs of the Authority that occurred during the financial period under review not otherwise disclosed in this report or the financial statements.
- the accompanying statement of financial position give a true and fair view of the state of affairs of the Authority as at 31 July 2018 and the accompanying statement of comprehensive income, the statement of changes in equity and the statement of cash flows give a true and fair view of the result of the Authority, its changes in equity and its cash flows for the year then ended.

### **Principal activity**

The principal activity of the Authority during the period was that pertaining to the construction, maintenance and development of roads, bridges and jetties in Fiji.

### **Operating results**

The operating deficit for the year ended 31 July 2018 was \$87,087,751 (31 July 2017: \$94,899,783).

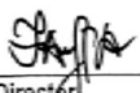
### **Reserves**


The directors did not recommend any transfers to or from reserves to accumulated funds in the 2018 financial period except as required by International Fund Reporting Standards.

No event arisen in the interval between the end of the financial period and the date of this report, item, transaction of a material and unusual nature likely, in the opinion of the directors of the Authority, to affect significantly the operations of the Authority, the results of those operations, or the state of affairs of the Authority, in subsequent financial years.

Dated at Suva this        28th        day of        January,        2020

Signed for and on behalf of the Board of Directors in accordance with a resolution of the Directors:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

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Website: <http://www.oag.gov.fj>

**INDEPENDENT AUDITOR'S REPORT****FIJI ROADS AUTHORITY****Opinion**

I have audited the financial statements of Fiji Roads Authority ("the Authority"), which comprise the statement of financial position as at 31 July 2018, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the matter described in the Basis for Qualified Audit Opinion the accompanying financial statements give a true and fair view of the financial position of the Authority as at 31 July 2018, and of its financial performance, its cash flows and changes in equity for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

**Basis for Qualified Audit Opinion**

The Authority has not brought to account the amount payable and contribution receivable to and from the Municipal Councils amounting to \$28,559,736 and \$44,037,877 respectively in the Statement of Financial position. These amounts have been disclosed as contingent Assets and Contingent Liabilities (Note 12) in the notes of the financial statements. In 2012, The Authority have entered into Memorandum of Agreements with the Municipal Councils whereby the Councils were delegated work by the Authority to be carried out for which the Authority would reimburse the costs to the councils. It was also agreed that the Councils will pay the Authority an annual contribution for council roads maintained by the Authority.

Consequently, The Authority's receivable and payable and the related expense and income accounts for the current and prior years are understated.

I conducted my audit in accordance with International Standards on Auditing ("ISAs"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Authority in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter**

Without further qualifying the auditor's opinion, attention is made to the following:

- The Authority administer the Transport Infrastructure Sector Project which is funded by ADB and World Bank. Procurement anomalies were noted during the audit of the project where the Authority did not comply with the implementation arrangements set forth in the Project Administration Manual stated in the Loan Agreement. The Project Administration Manual required that the ADB Procurement Guidelines be followed for the procurement of goods and works. The Authority prepared the contract agreement for Contract Number



FRA/TIISP/16-01 Suva Arterial Roads Upgrading Project (SARUP 1) under FRA general terms and conditions but ADB has determined a misprocurement as some amendments were made to the FIDIC clauses. Consequently, ADB terminated the funding which resulted the Authority bearing the responsibility to meet the total cost of the SARUP 1 project totalling \$30,429,323 which has an impact on the Authority's budget.

#### **Responsibilities of the Management and Directors for the Financial Statements**

The directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as the directors and management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors and management are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management intend to cease operations, or have no realistic alternative but to do so.

The directors and management are responsible for overseeing the Authority's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and directors' use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the



Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

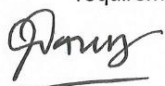
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the management and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Fiji Roads Authority Act 2012 and other statutory requirements, in my opinion:

- a) proper books of account have been kept by the Authority, so far as it appears from my examination of those books,
- b) the accompanying financial statements:
  - a. are in agreement with the books of account; and
  - b. to the best of my information and according to the explanations given to me, give the information required by the Fiji Roads Authority Act 2012 and other statutory requirements in the manner so required.



Ajay Nand  
**AUDITOR-GENERAL**



Suva, Fiji  
29 January, 2020



**FIJI ROADS AUTHORITY  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2018**

	Notes	31 July 2018	31 July 2017
		\$	\$
<b>Income</b>			
Grants and contributions	2 (a)	25,490,614	15,854,174
Amortisation of deferred income	11	165,216,118	152,874,640
Other income	2 (b)	887,846	1,999,193
<b>Total income</b>		<b>191,594,578</b>	<b>170,728,007</b>
<b>Expenditure</b>			
Employee related expenses	3 (a)	(10,779,437)	(7,796,813)
Other operating expenses	3 (b)	(5,606,126)	(12,041,631)
Maintenance	3 (c)	(117,190,592)	(100,988,152)
<b>Total Expenditure</b>		<b>(133,576,155)</b>	<b>(120,826,596)</b>
<b>Surplus from operations</b>		<b>58,018,423</b>	<b>49,901,411</b>
Depreciation and amortisation	7 & 8	(145,102,107)	(144,801,194)
<b>Deficit for the period/year</b>		<b>(87,083,684)</b>	<b>(94,899,783)</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive (loss)/income for the period/year</b>		<b>(87,083,684)</b>	<b>(94,899,783)</b>

The accompanying notes form an integral part of this Statement of Comprehensive Income.

**FIJI ROADS AUTHORITY  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2018**

	Contributed Equity	Accumulated Funds	Capital Reserve	Asset Revaluation Reserve	Total Equity
	\$	\$	\$	\$	\$
<b>Balance as at 31 July 2016</b>	4,814,246,463	(60,363,528)	867,433	3,505,794,232	8,260,544,600
Deficit for the year	-	(94,899,783)	-	-	(94,899,783)
Increase in capital reserves	-	-	10,995	-	10,995
Transfer to contributed equity	-	-	-	-	-
Revaluation increment	-	-	-	-	-
Increase in assets from equity transfer	10,236,971	-	-	-	10,236,971
<b>Balance as at 31 July 2017</b>	<b>4,824,483,434</b>	<b>(155,263,311)</b>	<b>878,428</b>	<b>3,505,794,232</b>	<b>8,175,892,782</b>
Deficit for the period	-	(87,083,684)	-	-	(87,083,684)
Increase in capital reserves	-	-	-	-	-
Increase in assets from equity transfer	4,205,793	-	-	-	4,205,793
<b>Balance as at 31 July 2018</b>	<b>4,828,689,227</b>	<b>(242,346,995)</b>	<b>878,428</b>	<b>3,505,794,232</b>	<b>8,093,014,891</b>

The accompanying notes form an integral part of this Statement of Changes in Equity.





**FIJI ROADS AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 JULY 2018**

	Notes	31 July 2018	31 July 2017
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	4	52,832,641	30,315,299
Receivables	5	3,589,868	132,234,528
Other current assets	6	74,119,090	26,009,693
		<u>130,541,599</u>	<u>188,559,520</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	9,024,705,420	8,874,136,356
Intangible assets	8	382,385	185,951
		<u>9,025,087,805</u>	<u>8,874,322,308</u>
<b>Total assets</b>		<u><b>9,155,629,404</b></u>	<u><b>9,062,881,828</b></u>
<b>Current liabilities</b>			
Payables	9	117,168,385	91,617,988
Provisions	10	465,152	320,351
		<u>117,633,537</u>	<u>91,938,339</u>
<b>Non-current Liabilities</b>			
Provisions	10	50,324,179	41,985,521
Deferred income	11	894,656,797	753,065,186
		<u>944,980,976</u>	<u>795,050,707</u>
<b>Total liabilities</b>		<u><b>1,062,614,513</b></u>	<u><b>886,989,046</b></u>
<b>Net assets</b>		<u><b>8,093,014,891</b></u>	<u><b>8,175,892,782</b></u>
<b>Equity</b>			
Capital reserves	18	878,428	878,428
Asset revaluation reserve		3,505,794,231	3,505,794,231
Other contributed equity	19	4,828,689,227	4,824,483,434
Accumulated funds		(242,346,995)	(155,263,311)
<b>Total equity</b>		<u><b>8,093,014,891</b></u>	<u><b>8,175,892,782</b></u>

The accompanying notes form an integral part of this Statement of Financial Position.

Signed for and on behalf of the Board of Directors in accordance with a resolution of the Directors:

  
Director

  
Director





**FIJI ROADS AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2018**

	Note	31 July 2018	31 July 2017
		\$	\$
<b>Cash flows from Operating Activities</b>			
Grants, subsidies and interest received		449,003,804	510,093,240
Payments to suppliers and employees		(134,824,649)	(236,445,360)
<b>Net cash from Operating Activities</b>		<b>314,179,155</b>	<b>273,647,880</b>
<b>Cash flows from Investing Activities</b>			
Payments for intangible assets		(588,082)	(331,306)
Payment for property, plant & equipment		(295,279,523)	(352,561,328)
Proceeds from sale of plant & equipment		-	-
<b>Net cash used in Investing Activities</b>		<b>(295,867,605)</b>	<b>(352,892,634)</b>
<b>Cash Flows from Financing Activities:</b>			
Loan Contributed by Government Of Fiji - ADB and World Bank		4,205,793	-
<b>Net cash from Financing Activities</b>		<b>4,205,793</b>	<b>-</b>
Net (decrease)/increase in cash held		22,517,343	(79,244,754)
Cash and cash equivalents at beginning of financial period/year		30,315,298	109,560,052
<b>Cash and cash equivalents at end of financial period/year</b>	<b>4</b>	<b>52,832,641</b>	<b>30,315,298</b>

The accompanying notes form an integral part of this Statement of Cash Flow.

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1 SIGNIFICANT ACCOUNTING POLICIES**

Fiji Roads Authority ("the Authority") was established by the Fiji Road Authority Decree 2012 (as amended by the Fiji Roads Authority (Amendment) Decree 2012 ("the FRA Decree")) to serve the road system needs of the Republic of Fiji. This FRA Decree established the Authority by transferring the operations and assets of the Department of National Roads ("DNR").

The Authority's registered office is Level 4, Fiji Development Bank Building, 360 Victoria Parade, Suva. It operates from several locations in Fiji, with its head office in Suva.

The Authority commenced operations on 5 January 2012. Fiji Roads Authority is a corporate body domiciled in Fiji. The significant accounting policies, which have been adopted in the preparation of these financial statements, are noted below.

The financial statements were authorized for issue by the directors on 28th January, 2020.

**(a) Accounting for the formation of FRA**

By virtue of the FRA Decree, an entity was established to form the FRA with effect from 5 January 2012. Following the 2012 Amendment to the FRA Decree, Fiji Road Authority was renamed to Fiji Roads Authority.

Due to insufficient books and records over property, plant and equipment at 5 January 2012, the property, plant and equipment assets of the Department of National Roads ("DNR") were required to be identified, recorded and valued by independent valuers and the resulting adjustment was recorded in other contributed equity. The assets of the DNR were transferred to FRA on 5 January 2012 for a consideration of \$Nil under the FRA Decree. In 2015, the Authority with assistance from Erasito Beca Consultants Ltd revalued its property, plant and equipment.

**(b) Statement of compliance**

The financial statements of the Authority have been drawn up in accordance with the provisions of the International Financial Reporting Standards ("IFRS"), the FRA Act 2012 and other statutory requirements.

**(c) Basis of preparation**

The financial statements are presented in Fiji dollars, rounded to the nearest dollar. The financial statements have been prepared based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The accounting policies have been consistently applied and are consistent throughout the period.

**(d) New standards and interpretations not yet adopted**

The following standards, amendments and interpretations to existing standards were published and are mandatory for the accounting periods beginning on or after 1 August 2018 or later periods.

Reference	Summary	Application date of standard and the Authority
IFRS 9 Financial Instruments	New requirements on recognition of expected credit losses	1 August 2018
IFRS 16 Leases	Requires operating leases to be recognised on balance sheet	1 August 2018
IFRS 15 Revenue from Contracts with Customers	Requires revenue to be recognised on satisfaction of the performance obligations specified under contracts	1 August 2019

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

---

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Use of estimates and judgments**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements includes the note on property, plant and equipment in Note 1(g).

**(f) Foreign currency**

All foreign currency transactions are translated to Fiji currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling at balance date. Gains and losses arising on such translations are recognised in the result for the period.

**(g) Property, plant and equipment**

Property, plant and equipment comprise land and buildings, plant and equipment (vehicles and general plant and equipment) and infrastructure systems (road and bridges).

**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other IFRS. Any gain or loss on disposal of property, plant and equipment is recognized in profit or

Assets acquired at no cost, or for nominal consideration, are initially recognized at their fair value at the date of acquisition. A corresponding amount is also reported as deferred revenue under liabilities and amortized over the period of the useful life of the asset.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

The cost of assets constructed for own use includes the purchase cost, other directly attributable costs and the initial estimate of dismantling and restoration costs.

**Depreciation**

Items of property, plant and equipment, are depreciated using the straight-line method over their estimated useful lives. Depreciation methods, useful lives and residual values are reviewed and adjusted, if appropriate, at each reporting date. The expected useful lives of property, plant and equipment for depreciation purposes are as follows:

	Useful lives (years)
Buildings	60
Furniture and fittings	5 - 10
Motor vehicles	5 - 8
Road systems	12 - 120
Plant and equipment	10 - 30

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Property, plant and equipment (continued)**

*Revaluation of property, plant and equipment*

The Authority revalues the roads system recorded under property, plant and equipment at least every three years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. Revaluations are performed by independent professionally qualified and registered valuers. The next revaluation of Authority's non-current assets are due by end of 2018.

Non-specialized assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value. This is because any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognized as an expense in the net result, the increment is recognized immediately as revenue in the net result.

Revaluation decrements are recognized immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit Authority, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

**(h) Cash and cash equivalents**

Cash & cash equivalents comprises of cash at bank, cash on hand and term deposits with maturity term of less than 3 months.

**(i) Receivables and other assets**

Receivables are carried at original invoice amount less allowance made for impairment. Other receivables are recognised and carried at cost less any impairment loss. An allowance for impairment of receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of receivables. This allowance is based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

The largest portion of receivables relates to grants which had been budgetted by the Government but not yet received by the Authority.

**(j) Deferred income and amortisation of deferred income**

An unconditional grant related to an asset is recognised in statement of comprehensive income as other income when the grant becomes receivable.

Other grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Authority will comply with the conditions associated with the grant and are then recognised in statement of comprehensive income as other income on a systematic basis over the useful life of the asset. Grants that compensate the Authority for expenses incurred are recognised in statement of comprehensive income on a systematic basis in the same periods in which the expenses are recognised.



**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(k) Payables**

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**(l) Other operating expenses**

Other operating expenses generally represent the day-to-day running costs incurred in the normal operations of the Authority.

**(m) Maintenance**

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or a component of an asset, in which case the costs are capitalised and depreciated. Maintenance costs relate principally to road and maritime infrastructure systems.

**(n) Provisions**

*(i) Defined contribution plan*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

*(ii) Short term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Authority has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*(iii) Other provisions*

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**(o) Income recognition**

Income is recognised and measured at the fair value of the consideration or contribution received or receivable to the extent that it is probable that the economic benefits will flow to the Authority and the income can be reliably measured. The following specific criteria must also be met before income is recognised:

*(i) Grants and contributions*

Grants and contributions comprising mainly cash and in kind contributions are recognized as revenues when control passes to the Authority and the contractual obligations have been satisfied. In kind contributions (e.g. roads and bridges from local councils) are measured at fair value on transfer and recognized as property, plant and equipment (Note 1(g)).

*(ii) Other income*

Revenue from interest income and rental income is measured at fair value of the consideration received or receivable. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of comprehensive income.

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(p) Impairment**

The carrying amounts of the Authority's non financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss.

**(q) Accumulated funds**

The category "Accumulated Funds" includes all current period retained funds.

**(r) Other contributed equity**

Other contributed equity represents generally assets less liabilities transferred to the reporting entity by the Government of Fiji.

**(s) Intangible Assets**

Intangible assets comprises of computer software and license for its first use. Acquired computer software licenses with a cost exceeding \$2,000 are initially capitalized at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs or consultancy costs which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

**(t) Leased Assets**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

	31 July 2018	31 July 2017
<b>2. INCOME</b>	<b>\$</b>	<b>\$</b>
<b>(a) Grants and contributions</b>		
Government of Fiji - Operating Grant	25,490,614	15,854,174
	<b>25,490,614</b>	<b>15,854,174</b>
<b>(b) Other Income</b>		
Depot rental	108,819	102,844
Interest income	458,000	1,896,349
Gain on Sale of Assets	118,387	-
Other Revenue	202,640	-
	<b>887,846</b>	<b>1,999,193</b>
<b>3. EXPENDITURE</b>		
<b>(a) Employee related expenses</b>		
Salaries	9,255,050	6,787,569
Contribution to FNPF	699,772	474,864
Allowances	824,616	534,381
	<b>10,779,437</b>	<b>7,796,814</b>

The number of employees at the end of the financial period was 182 (2017: 148).

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

	31 July 2018	31 July 2017
<b>3. EXPENDITURE (continued)</b>		
	\$	\$
<b>(b) Other Operating expenses</b>		
Consultancy costs	1,327,665	6,490,228
Unrealised exchange loss/gain	11,472	(135,706)
Leasing of plant	-	220
Travel and communications	759,299	640,160
Other	3,507,690	5,046,728
	<b>5,606,126</b>	<b>12,041,631</b>
<b>(c) Maintenance</b>		
Bridges, crossings & jetties	9,357,882	12,295,997
Roads	88,487,689	74,469,741
Drainage	14,622,862	9,915,319
Street Lights	3,565,302	2,487,717
Traffic Lights	989,547	614,778
Footpaths	167,310	1,204,600
	<b>117,190,592</b>	<b>100,988,152</b>
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	52,810,516	28,907,706
Petty cash	6,300	4,300
	<b>52,816,816</b>	<b>28,912,006</b>
Term deposits	15,825	1,403,292
	<b>52,832,641</b>	<b>30,315,299</b>
<b>Reconciliation of cash and cash equivalents</b>		
For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, short term deposits and cash on hand.		
Term deposits include interest bearing deposit invested with Westpac Banking Corporation with remaining term of 1 month at an interest rate of 2% per annum.		
Cash at bank includes cash for performance bonds totalling \$104,503 which will be paid to various contractors once the contract is completed.		
<b>5. RECEIVABLES</b>		
Municipal councils	610,853	610,853
Trench repairs	2,626,400	4,939,584
Others	352,615	164,152
	<b>3,589,868</b>	<b>5,714,589</b>

The Authority reviews the 'debtors aging' report at the end of each month. The Authority has not provided any provision or allowance for doubtful debts during or in prior years.

Before accepting any new customer, the Authority assesses the credit history of the customer through an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due dates at the end of the reporting period for which the Authority has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

	31 July 2018	31 July 2017
<b>5. RECEIVABLES - (Continued)</b>		
	\$	\$
Age of Receivables that are past due but not impaired:		
Current	57,204	892,639
30 Days	7,150	157,492
60 Days	659,143	201,366
90 Days	-	170,408
Over 90 Days	2,866,371	4,292,684
<b>Total</b>	<b>3,589,868</b>	<b>5,714,589</b>
<b>6. Other Assets</b>		
Grants and interest receivable	55,977,928	132,338,632
Prepayments	1,043	4,052,037
Advances and deposits	63,076	75,328
VAT receivable	18,060,100	15,972,480
Securities	16,943	91,156
	<b>74,119,090</b>	<b>152,529,633</b>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>(a)</b>		
<b>Land and Buildings</b>		
At Cost	26,132,428	22,127,398
Accumulated depreciation	(7,291,573)	(6,851,125)
	<b>18,840,855</b>	<b>15,276,273</b>
<b>Motor Vehicles</b>		
At Cost	2,327,710	2,467,352
Accumulated depreciation	(1,653,992)	(1,556,721)
	<b>673,718</b>	<b>910,631</b>
<b>Furniture and Fittings</b>		
At Cost	2,126,920	1,719,894
Accumulated depreciation	(1,011,996)	(580,845)
	<b>1,114,924</b>	<b>1,139,049</b>
<b>Road Systems</b>		
At fair value	9,050,441,187	8,851,569,034
Accumulated depreciation	(358,002,093)	(214,405,708)
	<b>8,692,439,094</b>	<b>8,637,163,326</b>
<b>Plant and Equipment</b>		
At Cost	2,014,122	2,082,357
Accumulated depreciation	(997,179)	(1,059,853)
	<b>1,016,943</b>	<b>1,022,504</b>
<b>Work in Progress</b>		
At Cost	310,619,886	218,624,571
	<b>310,619,886</b>	<b>218,624,571</b>
<b>Net book value</b>	<b>9,024,705,420</b>	<b>8,874,136,355</b>



**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**7. PROPERTY, PLANT AND EQUIPMENT (continued)**

- (b) Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year is set out as follows:

	Land & buildings	Motor vehicles	Furniture and fittings	Road systems	Plant and equipment	Work in Progress	Total
Cost	\$	\$	\$	\$	\$	\$	\$
Balance at 1 August 2017	22,127,398	2,467,352	1,719,894	8,851,569,034	2,082,357	218,624,571	9,098,590,606
Acquisitions	4,005,030		407,026	198,872,153		91,995,315	295,279,523
Disposal		(139,642)			(68,235)		(207,877)
Balance at 31 July 2017	<b>26,132,428</b>	<b>2,327,710</b>	<b>2,126,920</b>	<b>9,050,441,187</b>	<b>2,014,122</b>	<b>310,619,886</b>	<b>9,393,662,253</b>
<b>Depreciation</b>							
Balance at 1 August 2017	6,851,125	1,556,721	580,845	214,405,708	1,059,853	-	224,454,251
Depreciation for the Year	440,448	236,914	431,151	143,596,385	5,561		144,710,458
Disposal		(139,642)			(68,235)		(207,877)
Balance at 31 July 2017	<b>7,291,573</b>	<b>1,653,992</b>	<b>1,011,996</b>	<b>358,002,093</b>	<b>997,179</b>	<b>-</b>	<b>368,956,832</b>
<b>Carrying amount</b>							
At 31 July 2017	<b>15,276,273</b>	<b>910,631</b>	<b>1,139,049</b>	<b>8,637,163,326</b>	<b>1,022,504</b>	<b>218,624,571</b>	<b>8,874,136,355</b>
At 31 July 2018	<b>18,840,855</b>	<b>673,718</b>	<b>1,114,924</b>	<b>8,692,439,094</b>	<b>1,016,943</b>	<b>310,619,886</b>	<b>9,024,705,421</b>

	31 July 2018	31 July 2017
<b>8. INTANGIBLE ASSETS</b>	<b>\$</b>	<b>\$</b>
<b>Software License</b>		
Cost:		
Balance as at 1 August	731,243	399,937
Additions	588,083	331,306
Balance as at 31 July	<b>1,319,326</b>	<b>731,243</b>
<b>Accumulated Amortisation</b>		
Balance as at 1 August	545,291	363,314
Amortisation for the year	391,649	181,977
Balance as at 31 July	<b>936,941</b>	<b>545,291</b>
<b>Net Amount</b>	<b>382,385</b>	<b>185,952</b>

Software license are made up of the Authority's Navision Financial Management Information System and the Payroll PayGlobal System. Computer software is capitalised at the net invoice cost plus any related consulting and/or training costs associated with the initial software implementation (including the initial license cost) and amortised by an impairment charge over its remaining life to arrive at the carrying amounts.

**9. ACCOUNTS PAYABLE**

Accruals	(a)	28,616,702	20,508,097
Other payables	(b)	2,988,486	3,550,880
Retention payable		16,611,054	17,297,154
Trade payables	(c)	68,952,143	50,261,857
		<b>117,168,385</b>	<b>91,617,988</b>

- (a) Accruals mostly relates to accrued expenditure for maintenance works and performance pay and maintenance works for which claims has been received but yet to be assessed and Certified by FRA Engineer.
- (b) Other payables mostly relates to payments relating to employees including payments dues to various entities which are deducted from employee salary.
- (c) Trade payables mainly relates to payment due to the contractors for contract works for which invoice has been received.

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

	31 July 2018	31 July 2017
	\$	\$
<b>10. PROVISIONS</b>		
Employee benefits (i)	465,152	320,351
Other provisions (refer below)	50,324,179	41,985,521
	<b>50,789,331</b>	<b>42,305,872</b>
Apportioned as:		
Current	465,152	320,351
Non Current	50,324,179	41,985,521
	<b>50,789,331</b>	<b>42,305,872</b>

**Other Provisions Detail:**

Descriptions	Contractual Work Accrued (ii)
	\$
Balance at 1 August 2017	41,985,522
Additional provisions recognised	50,789,331
Reductions resulting from re measurement or settlement without cost	(41,985,522)
<b>Balance at 31 July 2018</b>	<b>50,789,331</b>

- (i) The provision for employee benefits represents annual leave entitlement at the end of the financial year.  
(ii) Estimated accruals provided for contractual works unclaimed at balance date.

**11. DEFERRED INCOME**

Deferred income represents the Capital Grant given by the Government of Fiji for capital purchases and construction of the Authority's road systems.

	31 July 2018	31 July 2017
	\$	\$
Opening Balance	753,065,187	662,790,518
Less: Depreciated charges during the year	(47,407,345)	(45,865,988)
Less: Allocated to maintenance of road systems	(117,808,773)	(107,008,652)
Add: Current Year Grants	278,215,652	243,149,308
Add: Current Year Chinese Aid	28,592,076	
<b>Closing Balance</b>	<b>894,656,797</b>	<b>753,065,187</b>

There was an engagement signed by Ministry of Economy and Chinese Government and the Cash was directly paid to the Contractor by the Chinese Government. FRA has recorded the asset and corresponding deferred grant income.

**12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**(a) Commitments**

- (i) As at balance date the Authority has an estimated value of \$133,849,608 contract commitments. However, this commitment depends on verification of works done and adherence to the contract terms and conditions during the contract period (2017: \$305,127,467 ).

- (ii) Operating lease commitments contracted for vehicles are payable as follows:

Not later than one year	795,820	658,469
Later than one year but not more than five	797,767	1,345,692
<b>Total operating lease commitments</b>	<b>1,593,588</b>	<b>2,004,161</b>

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (continued)**

**(b) Contingent liabilities**

**(i) Termination of the Contract for Professional Engineering Services Advisor (MWH)**

On 23rd September 2016, the Authority's principle engineering service provider (MWH) had terminated their contract with the Fiji Roads Authority (FRA). FRA has commenced proceedings against MWH in the High Court of Fiji in regards to the return of documents by MWH that FRA is entitled to under the Contract (including Confidential Documents and intellectual Property). The judgement was in favor of the Authority, however, MWH has appealed the decision. Furthermore, MWH has also commenced proceedings against FRA in High Court of Fiji seeking to enforce its alleged entitlement to submit the disputes with FRA under the contract to mediation.

At the time of the report, these cases were still pending in High Court of Fiji for Final Judgement.

- (ii)** In 2012, the Authority have entered into Memorandum of Agreements with the eleven (11) Municipal Councils whereby the Councils were delegated work by the Authority to be carried out for which the Authority would reimburse the costs to the Councils. It was also agreed that the Councils will pay the Authority an annual contribution for council roads maintained by the Authority.

No contributions were received from the councils and likewise no claims for reimbursement in relation to works carried out by councils on behalf of the Authority were received in the current year.

The matter has been referred to the Minister for Local Government and the Attorney General. There is a likely chance that the Councils will be directed to honor the MOA in place and the Authority will be liable to pay an approximate sum of \$28,559,736 to the councils for 2018. (2017: \$22,328,520).

	31 July 2018	31 July 2017
<b>(c) Contingent assets</b>	\$	\$
Contribution from Municipal Councils	44,037,877	34,429,613

The authority is expecting an approximate of \$44,037,877 contribution from councils as at 31 July 2018. These amounts have not yet been recorded as receivable.

**13. RELATED PARTY TRANSACTIONS**

**Identify of related parties**

Balances and transactions between the Authority and its operations, which are related parties of the Authority have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Authority and other related parties are disclosed below.

**Directors**

The directors of the Authority in office during the period and up to the date of this report were:

Mr. Arif Ali - Chair Person  
 Mr Dinesh Patel - Chairperson (resigned 25th March, 2019)  
 Mr. Efray'im Efray'im - Member (resigned)  
 Mr Aptinko Vaurasi - Member  
 Mr Sanjay Kaba - Member (resigned 25th March, 2019)  
 Ms Preetika Prasad - Member  
 Mr Kamal Gounder - Member

**FJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**13. RELATED PARTY TRANSACTIONS (continued)**

**Trading Transactions with Related Party**

During the year, the Authority enters into the following trading transactions with related parties:

<b>Grant</b>		
Government of Fiji	278,215,652	135,403,262
	<b>278,215,652</b>	<b>135,403,262</b>
<b>Government Funding Lenders</b>		
Asian Development Bank	3,655,743	3,972,123
World Bank	550,050	6,264,848
	<b>4,205,793</b>	<b>10,236,971</b>

**Key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The key management personnel in FRA are:

- Chief Executive Officer – Jonathan Charles Moore ( Appointed : 02/10/2017)
- Chief Financial Officer- Robert Sen (Acting Chief Executive Officer: 22 June 2017 – 02 October 2017 resumed normal CFO duties thereafter)
- Head of Risk and Assurance Manager - Ravneel Lal
- Head of Risk and Compliance - Ravneel Lal
- Head of HR & Training – Zakia Dean
- General Manager Delivery-Central – Aram Goes
- General Manager Delivery North – Ranjit Singh Sandhu (Appointed: 01 May 2018)
- General Manager Electrical – Musheer Khan
- General Manager Delivery Western – Kamal Prasad
- Head of Governance – Charles Robert Ward (Appointed: 09 March 2018)
- Head of Design & Procurement – Michael John Dale
- Head of Internal Audit – Esala Nasarova
- Senior Solicitor- Roneil Rajeev Dulaar Prakash

Total remuneration paid to key management personnel for the year ended 31 July 2018 was \$2,396,347.57 also taking into account the 2017 performance pay (\$143,315.75).

During the period non-executive director - Mr Aptinko Vaurasi (Board member) received an allowance of \$12,458.55 from the Authority.

**14. PRINCIPAL ACTIVITY**

The principal activity of the Authority during the period was that pertaining to the construction, maintenance and development of roads, bridges and jetties in Fiji.

**15. REGISTERED OFFICE**

The Authority's registered office is Level 4, Fiji Development Bank Building, 360 Victoria Parade, Suva. It operates from several locations in Fiji, with its head office in Suva.

**16. RISK MANAGEMENT DISCLOSURES**

**Introduction**

The operational activities of the reporting entity expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The main risks arising from these financial instruments are outlined below together with the entity's objectives, policies and processes for measuring and managing risk.

Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive and management of the Authority have overall responsibility for the establishment and oversight of risk management and review and determine policies for managing each of these risks. Risk management policies are established to identify and analyze the risks faced by the entity, to set limits and to monitor risks. Compliance with these policies will be reviewed by internal audit.

The Authority's risk management strategy is set by the Executive Management and approved by the Board.



**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**16. RISK MANAGEMENT DISCLOSURES (continued)**

The Authority has management structures and information systems to manage individual risks and has separated risk initiation and monitoring tasks where practicable.

The following sections describe the risk management framework components:

*Market risk*

Market risk is the potential for change in the value of financial instruments caused by a change in the value, volatility or relationship between market rates and prices.

Market risk includes liquidity which is explained as follows:

*Liquidity risk*

Liquidity Risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

*Maturity analysis for financial liabilities*

The following analysis of financial liabilities is based on contractual terms.

	31 July 2018		
	At call	Gross nominal outflow	Carrying amount
	\$	\$	\$
<b>Liabilities</b>			
Payables	117,168,385	117,168,385	117,168,385
	117,168,385	117,168,385	117,168,385

*Credit Risk*

To the extent the Authority has a receivable from another party there is a credit risk in the event of non-performance by the counterparty. At balance date, there were no significant concentrations of credit risk in respect of trade receivables. The Authority enters into transaction with counterparties in accordance with approved limits by management based on their credit assessment of their counterparty. There is no requirement for various transactions to be supported by collateral or other securities for major sales transactions.

In addition, receivables balance are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is not significant. The Authority establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 July 2018	31 July 2017
	\$	\$
Financial Assets		
Cash and Cash equivalents	52,832,641	30,315,297
Receivables and other current assets	77,708,958	158,244,222
	<b>130,541,600</b>	<b>188,559,519</b>

**FIJI ROADS AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 JULY 2018**

**16. RISK MANAGEMENT DISCLOSURES (continued)**

*Operational Risk*

The Authority's operational risk management framework supports the achievement of the Authority's financial and business goals.

Operational risk is defined as the risk of business gain or loss resulting from:

- inadequate or failed internal processes and methodologies;
- people;
- systems; or
- external events.

A formal reporting structure for the management of operational risk is in place. There are also processes and practices for the identification, monitoring, measurement and day-to-day management of operational risks.

Heads of all business units have clearly defined roles and responsibilities to ensure that the operational risks inherent in all business activities have been identified, measured and recorded.

**17. PERFORMANCE BONDS**

Performance Bonds have been issued by various banks under the name of the Authority which the Authority can encase if a contractor does not satisfactorily complete its contract. As at balance date Fiji Roads Authority is holding bonds totalling \$36,025,276

31 July 2018      31 July 2017

**17. PERFORMANCE BONDS**

Performance Bonds have been issued by various banks under the name of the Authority which the Authority can encase if a contractor does not satisfactorily complete its contract. As at balance date Fiji Roads Authority is holding bonds totalling \$36,025,276

31 July 2018      31 July 2017

**18. CAPITAL RESERVES**

	\$	\$
Sale of Quarry Assets (i)	426,503	717,582
Sale of Covec Plants and Machines (ii)	451,925	451,925
Sale of items from Sigatoka Valley (iii)	-	19,956
Sale of items from Labasa Depot (iii)	-	10,995
FRA Office fitout at FDB	-	(322,030)
	<b>878,428</b>	<b>878,428</b>

This reserve consists of:

- (i) Proceeds from sale and disposal of equipment from the Fiji Roads Authority Quarry Operations.
- (ii) Proceed from sale and disposal of equipment remaining after the Departure of China National Overseas Engineering Cooperation (COVEC).
- (iii) After the completion of the Sigatoka Valley & Buca Bay Project, the office and house items used by the contractor were sold.

The funds will be utilised by Fiji Roads Authority on future establishment costs.

**19. OTHER CONTRIBUTED EQUITY**

Other Contributed Equity relates to assets and loan contributed by the Government of Fiji apart from capital grant. The increase of \$4,205,793 relates to Asian Development Bank and World Bank loan channeled through Ministry of Economy to Fiji Roads Authority.

	\$	\$
Other Contributed Equity	4,828,689,226	4,824,483,434



## Other Financial Information

For further information about the way the FRA manages its financial affairs see FRA's Operations Management Manual (Green Book).

### Cost of Service

**Table 20 - Cost of Service Statement**

Item	2017/2018 Revised Budget (\$000)	2017/2018 Expenditure (\$000's)	2016/2017 Expenditure \$000's	2016 Expenditure \$000's
<b>Operating Expenditure</b>				
FRA Management	25,897	16,712	15,594	8,221
Maintenance - Roads, Bridges and Jetties	(4,220)	111,694	101,743	34,912
Emergency Works	-	35,299	35,063	30,755
Deprecation	-	144,710	69,945	73,502
<b>Total Operating Costs (VEP)</b>	<b>21,677</b>	<b>308,415</b>	<b>222,344</b>	<b>147,390</b>
<b>Capital Expenditure</b>				
Renewals - Roads and Services	2,906	131,735	64,081	49,587
Renewals - Bridge's	(1,651)	15,378	11,235	22,230
Renewals - Jetties	60,321	591	1,582	1,211
<b>Renewals sub-total</b>	<b>61,576</b>	<b>147,704</b>	<b>76,898</b>	<b>73,028</b>
New Capital (Safety)	1,376	1,709	2,593	372
New Capital (Access)	-	29,486	25,370	12,118
New Capital (Community)	-	17,108	6,291	1,920
New Capital (Congestion)	-	9,195	23,674	13,892
New Capital (Tourism)	-	31,697	51,283	24,649
New Capital (Resilience)	-	205	1,004	1,117
New Capital (Advance Payment)	-	-	2,498	-
<b>New Capital sub-total</b>	<b>1,376</b>	<b>89,399</b>	<b>112,713</b>	<b>54,068</b>
<b>Total Capital Expenditure (VEP)</b>	<b>62,952</b>	<b>237,103</b>	<b>189,611</b>	<b>127,096</b>
Value Added Tax	12,910	35,060	29,852	18,367
<b>Total Expenditure</b>	<b>97,539</b>	<b>580,579</b>	<b>441,807</b>	<b>292,853</b>

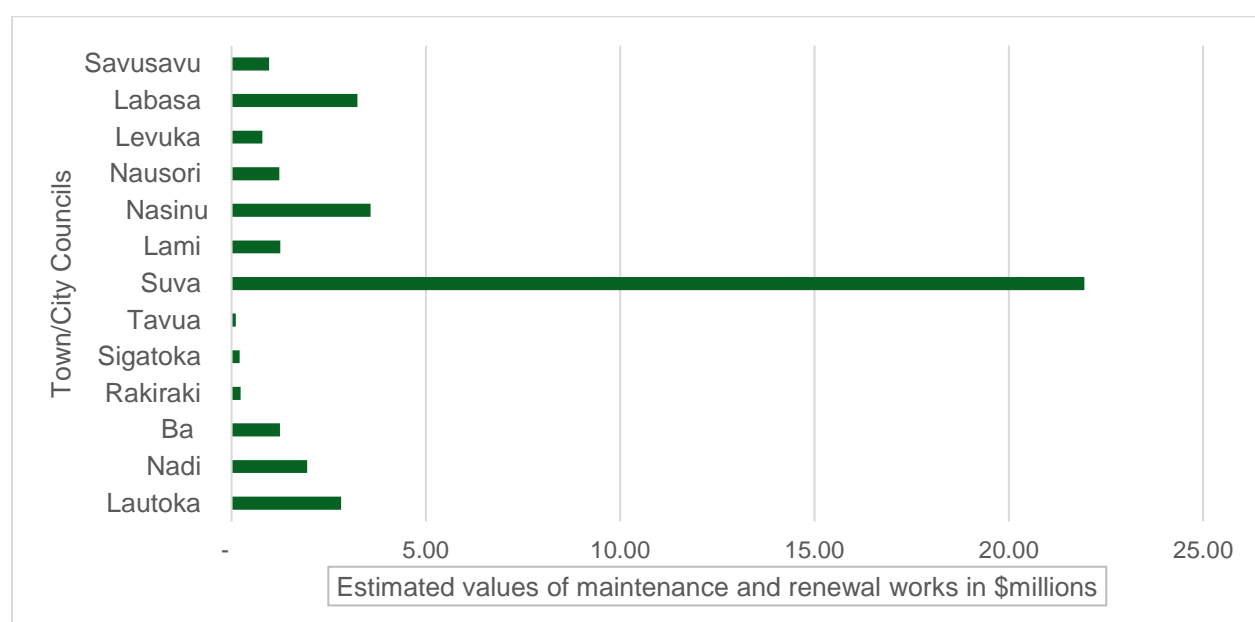
Item	2017/2018 Revised Budget (\$000)	2017/2018 Expenditure (\$000's)	2016/2017 Expenditure \$000's	2016 Expenditure \$000's
<b>Income</b>				
Unfunded deprecation	-	144,710	69,945	73,502
Government Grant	-	431,760	364,901	214,052
Loans	-	4,108	6,961	5,299
<b>Total income</b>	-	<b>580,579</b>	<b>441,807</b>	<b>292,853</b>

## Roads in Municipal Council Areas

Up until 2012 whilst some of the main routes in the municipal council areas were maintained by the former Department of National Roads, most of the roads (in those areas) were maintained by the councils - funded from their rates. The ownership and responsibility of all roads transferred to the FRA in 2012 – with the councils being required to continue to contribute to their annual costs based on the amounts each had been allocating for roads' maintenance in 2012.

During the 2017/2018 financial year, the total sum the Councils were expected to pay \$39.57 million (VEP), which was indicative of the collective spend on roading at that time. Since 2013 no Council has contributed any funds to road maintenance. A summary of issues and options for resolution has been submitted to the Minister in 2015 and FRA awaits the Minister's direction. Table 21 shows the categories of expenditure undertaken by FRA on these ex-Municipal Council roads, while the value of expenditure on these works in different towns/ city councils are shown in figure 13. The figures illustrate that significantly higher investment is needed to renew and maintain these roads to achieve a suitable level of service.

**Figure 13 - Estimated value of maintenance and renewal work undertaken by FRA on ex-Municipal Council roads**





**Table 21: Some work done by FRA on ex-Municipal roads**

<b>FRA Expenditure Category for ex-Municipal Roads</b>	
<b>Maintenance and Operation of roads included the following:</b>	<b>Renewal of Roads included the following:</b>
<ul style="list-style-type: none"> <li>• Structural maintenance (Sealed pavement maintenance)</li> <li>• Structural maintenance (Unsealed pavement maintenance)</li> <li>• Routine drainage maintenance</li> <li>• Footpath maintenance</li> <li>• Vegetation maintenance</li> <li>• Emergency reinstatement</li> <li>• Traffic services maintenance (traffic signs, pavement markings, streetlights, traffic signals, bus stop maintenance)</li> </ul>	<ul style="list-style-type: none"> <li>• Sealed road resurfacing/ rehabilitation</li> <li>• Unsealed road resurfacing</li> <li>• Construction and widening of footpath</li> <li>• Footpath renewals</li> <li>• Bridge/ culverts renewals</li> <li>• Streetlights/ traffic renewals</li> <li>• Repair, replacement and maintenance of kerbs and channels</li> </ul>

### **Projects Funded by the Asian Development Bank and World Bank**

are funded by loans from the ADB and WB. The table below provides a summary of loan funding and the expenditure on projects funded by ADB and WB.

The FRA has several road upgrading and safety improvement/ repair projects that

**Table 22 – Loan Funding**

<b>Bank</b>	<b>2017/2018 Expenditure \$000's</b>	<b>2017 Expenditure \$000's</b>	<b>2016 Expenditure \$000's</b>	<b>2015 Expenditure \$000's</b>
EXIM Bank of China		-	5,000	122,739
Asian Development Bank	2,465	4,176	299	(1,566)
World Bank	1,233	2,088		
Fiji Roads Authority	411	696		
<b>Total</b>	<b>\$4,109</b>	<b>\$6,960</b>	<b>\$5,299</b>	<b>\$121,173</b>
<b>Projects Funded by ADB and WB for 2017/2018 financial year</b>				
Sealed roads resurfacing (seals, asphalt)				\$3,061,478
Street Lights Works				\$494,311

## Asset Values

An independent asset valuation was completed by Erasito Beca Consultants Ltd. The combination of increased knowledge of quantity and condition of assets as well as updating valuation has seen the overall asset value increase significantly. Table 23 has the valuation figures for the 2017/2018 financial year.

**Table 23 – Asset Values**

Asset Categories	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
<b>Property</b>				
Lands	3,178,834,567	3,178,834,567	-	-
Formation	2,861,777,071	2,861,777,071	-	-
<b>Sub Total</b>	<b>6,040,611,638</b>	<b>6,040,611,638</b>	<b>-</b>	<b>-</b>
<b>Carriageways</b>				
Sealed Pavement Structure	788,578,209	496,326,575	1,284,904,784	2,055,167
Unsealed Pavement Structure	893,999,068	310,334,657	583,664,411	1,880,791
<b>Sub Total</b>	<b>1,682,577,277</b>	<b>806,661,232</b>	<b>1,868,569,195</b>	<b>3,935,958</b>
<b>Drainage</b>				
Culverts	260,921,058	(213,458,691)	474,379,749	797,398
Gully pits	28,168,492	(37,937,940)	66,106,433	388,773
Surface Water Channels	205,486,167	(67,249,175)	272,735,342	802,780
<b>Sub Total</b>	<b>494,575,717</b>	<b>(318,645,806)</b>	<b>813,221,524</b>	<b>1,988,951</b>
<b>Other Road Assets</b>				
Footpaths	160,873,652	65,640,721	95,232,931	1,990,296
Street Lighting	24,465,313	6,775,503	17,689,809	990,854
<b>Sub Total</b>	<b>185,338,965</b>	<b>72,416,224</b>	<b>112,922,740</b>	<b>2,981,150</b>
<b>Traffic Controls</b>				
Signs (inc Posts)	12,178,767	(14,629,327)	26,808,094	693,079
Markings	11,100,922	(19,866,453)	30,967,375	443,123
Traffic Signals	8,253,922	(569,037)	8,822,959	5,046,084
<b>Sub Total</b>	<b>31,533,611</b>	<b>(35,064,817)</b>	<b>66,598,428</b>	<b>6,182,286</b>
<b>Bridges</b>				
Bridges	2,484,178,767	2,305,602,858	178,575,909	33,858,891
Bailey Bridges	44,100,922	27,406,092	16,694,829	527,410
Crossings	593,163,922	526,384,605	66,779,317	7,393,458



Asset Categories	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Pedestrian Bridges	9,895,646	(6,799,183)	16,694,829	202,348
<b>Sub Total</b>	<b>3,131,339,257</b>	<b>2,852,594,372</b>	<b>278,744,884</b>	<b>41,982,107</b>
<b>Other Structures</b>				
Guard Rails	36,649,550	9,530,527	27,119,023	543,877
Bus Shelters	8,728,679	4,490,579	4,238,100	468,735
Retaining & Other Walls	67,707,808	20,438,176	47,269,632	1,083,296
Jetties	310,666,067	188,295,432	122,370,635	9,057,478
<b>Sub Total</b>	<b>423,752,104</b>	<b>222,754,714</b>	<b>200,997,390</b>	<b>11,153,386</b>
<b>Other</b>				
Motor Vehicles	2,467,363	910,634	1,556,729	192,385
Plant & Equipment	2,082,360	1,022,502	1,059,857	25,561
Furniture & Fittings	1,719,896	1,139,048	580,847	185,070
Buildings	8,528,002	3,765,192	4,762,810	1,317,815
Work in Progress	218,624,571	218,624,571	-	-
<b>Sub Total</b>	<b>233,422,192</b>	<b>225,461,947</b>	<b>7,960,243</b>	<b>1,720,831</b>
<b>Total</b>	<b>12,223,150,761</b>	<b>9,866,789,504</b>	<b>3,349,014,404</b>	<b>69,944,669</b>

## Glossary

### ACRONYMS

ADB	Asian Development Bank
AMP	Asset Management Plan
CEO	Chief Executive Officer
FRA	Fiji Roads Authority
FRUP	Fiji Roads Upgrading Project
GDP	Gross Domestic Product
LTA	Land Transport Authority
MoU	Memorandum of Understanding
NASRUP	Nadi and Suva Road Upgrade Project
SCI	Statement of Corporate Intent
SR	Service Request
TC	Tropical Cyclone
TD	Tropical Depression
VAT	Value Added Tax
VEP	Vat Exclusive Price
VIP	Vat Inclusive Price
WB	World Bank
WHT	Withholding Tax



## DEFINITIONS

<b>Accountability</b>	Being obliged to answer for one's actions, to justify what one does. Not to be confused with responsibility. Responsibility involves the obligation to act. Accountability is the obligation to answer for the action.
<b>Annual Budget</b>	The total amount that the FRA is planning to spend on the purchase of goods and services during the year and the purposes for which it is to be spent.
<b>Asset Disposal Policy</b>	An FRA policy that has been prepared pursuant to the requirements of Section 32(1)(e) of the Fiji Roads Authority Decree 2012 viz: <i>'.....the statement of corporate intent shall include....an outline of FRA's policies and procedures relating to the ....disposal of major assets'.</i>
<b>Asian Development Bank</b>	'A regional development bank established in 1966 to facilitate the economic development of countries in Asia.
<b>Authority</b>	The Fiji Roads Authority
<b>Board</b>	The Fiji Roads Authority's Governing Board.
<b>Bridge</b>	A structure designed to carry a road or path over an obstruction such as a river or rail line by spanning it. Includes culverts with a cross-sectional area greater than 3.4m <sup>2</sup> .
<b>Capital Works</b>	Includes both Renewal Capital Works and New Capital Works.
<b>Corporate Plan</b>	A plan required to be published by the FRA annually pursuant to Section 31 of the Decree. The Corporate Plan has to include the information listed in section 31 (3).
<b>Decade of Action on Road Safety</b>	A global programme of the United Nations on road safety initiatives.  Fiji joined the programme in 2011 and agreed a comprehensive set of targets to be achieved by 2020. Those that the FRA is responsible for include the following: <ul style="list-style-type: none"> <li>(i) 30 black spots improved;</li> <li>(ii) 40kms of route action plans in place (e.g. overtaking lanes);</li> <li>(iii) 30 village treatments completed;</li> <li>(iv) 60 mass action plans;</li> <li>(v) 600km major roads marked and delineated; (and)</li> <li>(vi) Traffic Management Plans implemented on 4 major and 6 smaller routes.</li> </ul>

In addition, all new projects are to have road safety audits from 2012.

<b>Deferred Maintenance</b>	The cost of work required by the practice of allowing infrastructure to deteriorate by not carrying out required repair and renewal work at the optimum time in the asset lifecycle.
<b>Depreciated Replacement Cost (or Value)</b>	The replacement cost of an asset less accumulated depreciation to reflect the already consumed or expired future economic benefits of the asset.
<b>Depreciation</b>	The wearing out, consumption or other loss of value of an asset, whether arising from use, the passage of time, or obsolescence through technological and market changes.
<b>Goal</b>	<p>(Not to be confused with ‘Objective’).</p> <p>A general statement defining a desired end result or a statement of intent for the direction of the business – usually long-term, not necessarily quantifiable and perhaps not totally obtainable.</p> <p>The FRA has two principal goals:</p> <ul style="list-style-type: none"> <li>(i) <i>‘To effectively, efficiently and sustainably provide an environmentally friendly land transport network to which people are able to gain easy access and travel on safely, efficiently and comfortably to their destinations; (and)</i></li> <li>(ii) <i>To halt the deterioration trend and reduce the value of deferred maintenance and deferred renewals’.</i></li> </ul>
<b>Health and Safety Incident</b>	An unplanned event that has resulted in, or has the potential to result in, injury, illness, damage or loss to persons or property. It includes accidents and near misses.
<b>Jetties</b>	The 47 Outer Island public wharves and jetties that the FRA has the responsibility to maintain and renew.
<b>Land Transport</b>	In the context of this plan means the provision and management of a safe, efficient and effective network of roads, bridges and public jetties.
<b>Levels of Service</b>	<p>The defined quality for a particular service against which service performance can be measured.</p> <p>Service levels usually relate to quality, quantity, timeliness, reliability, responsiveness, environmental acceptability and cost.</p> <p>Road agencies like the FRA typically define levels of service in terms of the roads’ reliability (how assured an intending user</p>

can be that he will be able to get to his destination within a given time no matter what day of the week it is, what time of day it is, or what the weather conditions are like), convenience, and comfort of travel; how safe the roads and footpaths are to travel or walk on; and cost.

## **Maintenance**

The actions required to enable an asset to achieve its expected life. Maintenance work can be planned or unplanned. Planned maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage.

Includes all of the actions necessary for retaining an asset as near as practicable to its original condition but excludes Renewals. Examples: Pothole repairs. Replacing a broken deck on a bridge. Applying protective paint. Removing vegetation to improve driver vision. Reinstating road markings. Cleaning and clearing roadside drains and unblocking culverts. Cleaning and repairing road signs.

## **Mission**

The reason why the organisation exists. The FRA's mission is ***'to provide a better land transport network for Fiji'***.

## **Municipal Councils**

The town and city councils.  
There are thirteen municipal councils:

- (i) Ba Town Council
- (ii) Labasa Town Council
- (iii) Lami Town Council
- (iv) Lautoka City Council
- (v) Levuka Town Council
- (vi) Nadi Town Council
- (vii) Nasinu Town Council
- (viii) Nausori Town Council
- (ix) Rakiraki Town Council
- (x) Savusavu Town Council
- (xi) Sigatoka Town Council
- (xii) Suva City Council
- (xiii) Tavua Town Council

## **New Capital**

Expenditure that is used to create new assets, or to increase the capacity of existing assets beyond their original design capacity or service potential.

Examples: A new bridge. The work done to realign, widen and seal an existing unsealed road.

## **Objective**

(Not to be confused with Goal).

A measurable target that describes the end results that a service or programme is expected to accomplish within a given time period. Objectives flow from, are components of, and lead the FRA towards the achievement of its goals.

Every objective should be:

- (i) linked to a goal;
- (ii) realistic;
- (iii) action orientated;
- (iv) concise;
- (v) attainable;
- (vi) measurable;
- (vii) time constrained; and
- (viii) within the control of the FRA.

Example: (Hypothetical) Complete construction of the new Harris Bridge for not more than \$1.63m before 31 March 2015.

## **Outcomes**

(Not to be confused with Outputs)

The actual impact and value of the service delivery

Example: Less deaths because of the safety improvement work that has been done on the roads.

## **Outputs**

(Not to be confused with Outcomes)

The goods and services produced and provided to third parties (i.e. 'service accomplishments').

Examples: The length of the roads resealed or the number of potholes repaired. The number of safety improvements carried out.

## **Performance Measure**

A qualitative or quantitative measure relating to the intended level of service for a particular service area. Performance measures are the means by which the FRA is able to identify the extent to which it has been able to achieve its objectives – the means for determining whether the levels of service are actually being achieved.

There are three broad elements of performance measures:

- (i) Those that measure service efforts (inputs);
- (ii) Those that measure service accomplishments (outputs and outcomes); and
- (iii) Those that relate service efforts to service accomplishments (efficiency and cost outcomes).

Example: The number of injury and fatal accidents that occur on the roads annually.

### **Performance Target**

The desired level of performance against a performance measure. A specific quantifiable result (in relation to a performance measure) that the FRA is aiming to achieve.  
Example: Not more than 300 serious injury accidents and 20 fatal accidents on the roads this year.

### **Renewals**

(Not to be confused with New Capital).

The replacement or rehabilitation of an asset. Expenditure on an existing asset which returns the service potential or the life of the asset to that which it had originally. It is periodically required expenditure, and relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. It may reduce operating and maintenance expenditure if completed at the optimum time.

Example: Resealing or rehabilitating a road – or replacing an existing bridge.

It is very important that the FRA always clearly distinguishes between New Capital expenditure and Renewals Capital expenditure. The rate at which renewal work is being carried out over time compared with the annual provision for depreciation (the cost of consumption) is a good indicator of the extent to which the network is being maintained, improving, or is deteriorating.

### **Road (or Roads)**

The infrastructure that the FRA is responsible for providing, managing, maintaining, renewing and developing. It includes all land and civil infrastructure constructed by any municipal council or government body, or any other body authorised by a municipal council or government body, that is used or facilitates a public right of passage for the movement of vehicles and pedestrians, including but not limited to:

- (i) the vehicle pavement from kerb to kerb, or where there is no kerb, the roadside verges, drains and kerbs;
- (ii) road signs, road marker posts and other markings, including pedestrian crossings;
- (iii) traffic islands;
- (iv) bridges and culverts;
- (v) footpaths and pavements adjacent to a vehicle pavement;
- (vi) street lights and traffic signals;
- (vii) parking meters;
- (viii) jetties, and
- (ix) all national roads, municipal roads, and such other public roads as may be determined by FRA.



Source: *Fiji Road Authority (Amendment Decree 2012 (No 46)*  
*Sec 4*

Note the inclusion of jetties within this definition.

**Road Network**

The network of roads, streets, bridges, jetties and associated infrastructure that the FRA has the responsibility to maintain, renew and further develop.

**Roadworks  
Emergency**

A situation declared to be the case following a major storm or other adverse event. (Not to be confused with Civil Defense Emergency).

During a roadworks emergency, the normal procurement requirements don't apply and road materials and other goods may be purchased and plant may be hired to repair the damage (in a manner and to the extent approved by the CEO).

**Service Area**

Those aspects of the roads that motorists and pedestrians value, or which are essential for their efficient and effective management. The headings under which the FRA formulates its levels of service, performance measures and targets in order to be able to decide what it has to do, and to be able to subsequently ascertain how well it is doing.

The headings are:

- (i) Health and Safety;
- (ii) Risk Management (other than risks that fall under the other six headings; and including Reputation and Safety);
- (iii) Asset Provision, Preservation, and Development;
- (iv) Environmental Conservation, Protection and Enhancement;
- (v) Service Quality (including Aesthetics, Reliability, Responsiveness and Capacity);
- (vi) Compliance (including Training, Record Keeping and Reporting); and
- (vii) Costs.

For a fuller explanation of the FRA's levels of service under these headings see Section 4.

**Statement of  
Corporate Intent  
(SCI)**

A statement required to be prepared annually by the FRA and agreed with the Minister pursuant to section 32 of The Decree. This document is the FRA's combined Corporate Plan and statement of Corporate Intent.

## Key FRA Partners

**Auditor** The Fiji Controller & Auditor General.

**Legal Advisor**

R Patel Lawyers – Suva  
M C Lawyers – Suva  
Siwatibau & Sloan – Suva  
Young & Associates – Lautoka

**Insurance Advisor** Aon Limited

**Banker** The Bank of Baroda

**Professional Engineering  
Services Provider**

- Erasito Beca
- ENTEC
- Forge Momentum
- NRW McLaren
- PARTICIPATE
- FMC Pacific Limited
- Mosrison Law

**Key Contractors**

- Fulton Hogan-Hiways Joint Venture (Maintenance & Renewals – Central & Eastern Division & Northern Division)
- Higgins Group (Maintenance & Renewals – Western Division)
- China Rail – 1<sup>st</sup> Group
- China Rail – 5<sup>th</sup> Group
- China Gezhoba

**Central Government**

- Ministry of Infrastructure & Metrological Services
- Office of the Prime Minister
- Ministry of Economy
- Ministry of Rural & Maritime Development
- Ministry of Lands & Mineral Resources

- Ministry of Local Government, Housing and Community Development
- Ministry of Waterways & Environment
- Department of Town & Country Planning
- Land Transport Authority of Fiji
- Fiji Police Force

**Local Government**

- Ba Town Council
- Labasa Town Council
- Lami Town Council
- Lautoka City Council
- Levuka Town Council
- Nadi Town Council
- Nasinu Town Council
- Nausori Town Council
- Rakiraki Town Council
- Savusavu Town Council
- Sigatoka Town Council
- Suva City Council
- Tavua Town Council

**Others**

- The Bus Owners and Operators Association

## Appendix A – Fiji Roads Authority Founding Legislation

- Fiji Roads Authority Act 2012
- Fiji Roads Authority (Amendment) Act 2012 (No. 46 of 2012)
- Fiji Roads Authority (Amendment) Act 2014 (No. 27 of 2014)
- Fiji Roads Authority (Amendment) Act 2015 (No. 5 of 2015)

EXTRAORDINARY

13



# REPUBLIC OF FIJI ISLANDS GOVERNMENT GAZETTE

PUBLISHED BY AUTHORITY OF THE FIJI GOVERNMENT

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[3]

FIJI ROAD AUTHORITY DECREE 2012  
(DECREE NO. 2 OF 2012)

## TABLE OF PROVISIONS

### SECTION

#### PART 1—PRELIMINARY

1. Short title and commencement
2. Interpretation
3. Objectives of the Decree

#### PART 2—ESTABLISHMENT, FUNCTIONS AND POWERS

4. Establishment of the Authority
5. Composition of the Authority
6. Functions of the Authority
7. Powers of the Authority
8. Delegation of powers
9. Resignation and removal
10. Vacation of office
11. Meetings and proceedings
12. Authority may invite others to meetings
13. Disclosure of interest
14. Minutes
15. Common Seal
16. Procurement process and plan
17. Minister may give directions

#### PART 3—TRANSFER AND ACQUISITIONS OF ASSETS AND LIABILITIES

18. Transfer of assets and liabilities
19. Transfer of employees
20. Rights of transferred employees
21. Existing contracts
22. Continuation of proceedings
23. No benefit in respect of abolition or re-organisation of office

#### PART 4—MANAGEMENT AND FINANCE OF AUTHORITY

24. Appointment of Chief Executive Officer
25. Functions of Chief Executive Officer
26. Appointment of staff
27. Funds of the Authority

#### PART 5—REPORTING AND ACCOUNTABILITY

28. Financial year
29. Half yearly reports
30. Annual reports



14

- 31. Corporate plan
- 32. Authority to have statement of corporate intent
- 33. Audit

#### PART 6—TRANSITIONAL AND SAVINGS

- 34. Establishment of the Advisory Committee
- 35. Meetings and proceedings
- 36. Committee may invite others to meetings
- 37. Appointment of Change Manager

#### PART 7—MISCELLANEOUS

- 38. Regulations
- 39. Consequential

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### FIJI ROAD AUTHORITY DECREE 2012 (DECREE NO. 2 OF 2012)

IN exercise of the powers vested in me as the President of the Republic of Fiji and the Commander in Chief of the Republic of Fiji Military Forces by virtue of the Executive Authority of Fiji Decree 2009, I hereby make the following Decree—

A DECREE TO ESTABLISH THE FIJI ROAD AUTHORITY AND TO PROVIDE FOR ITS FUNCTIONS AND POWERS FOR THE PURPOSE OF MANAGING ROADS, AND FOR RELATED MATTERS.

#### PART 1—PRELIMINARY

##### *Short title and commencement*

- 1. This Decree may be cited as the Fiji Road Authority Decree 2012 and shall come into force on the date of its publication in the *Gazette*.

##### *Interpretation*

- 2. In this Decree, unless the context otherwise requires—
  - “Authority” means the Fiji Road Authority established under section 4;
  - “Change Manager” means the Change Manager appointed by the Minister under section 37;
  - “Chief Executive Officer” means the person appointed under section 24 and includes the person acting in that office;
  - “Committee” means the Fiji Road Advisory Committee established under section 34 of this Decree;
  - “Department” means the Department of National Roads;
  - “Minister” means the Prime Minister;
  - “roads” include all national roads, municipal roads and such other public roads as determined by the Authority.

##### *Objectives of this Decree*

- 3. The principal objectives of this Decree are to—
  - (a) give effect to the re-organisation of the Department of National Roads; and
  - (b) make provision for the effective management and administration of the road systems.

#### PART 2—ESTABLISHMENT, FUNCTIONS AND POWERS

##### *Establishment of the Authority*

- 4. This section establishes the Fiji Road Authority, as a corporate body with perpetual succession and a common seal, and the Authority may—
  - (a) sue and be sued;
  - (b) acquire, hold and dispose of property;

- (c) enter into contract, agreement or other transactions; and
- (d) do all other acts that may be done in law by body corporate.

*Composition of the Authority*

- 5.—(1) The Authority shall consist of a Chairperson and 4 other members appointed by the Minister.
- (2) The Chairperson and the other members of the Authority shall hold office for 3 years, and are eligible for re-appointment.
- (3) The Chairperson and members may be remunerated in a manner and at rates subject to terms and conditions determined by the Minister.

*Functions of the Authority*

6. The Authority shall be responsible for all matters pertaining to construction, maintenance and development of roads in Fiji, including but not limited to the following—
- (a) managing (land provision, network planning, designing, constructing, maintaining, renewing and generally managing the use of) all public roads, bridges and jetties;
  - (b) traffic management (including road design, traffic signs and markings);
  - (c) road safety (relating to provision and management of the road);
  - (d) the enforcement of vehicle load limits to avoid road damage (especially logging trucks and cane trucks);
  - (e) the issuing of over-width, height and lengths limits;
  - (f) Planning and management of Road Survey and Design;
  - (g) Provide advice, programme management services, design, supervision services for Capital Works Programme; and
  - (h) For such other matters, as the Minister may direct.

*Powers of the Authority*

7. The Authority shall have all such powers as may be reasonably necessary or convenient for the purpose of carrying out its functions under this Decree and regulating its own procedure, including the power to determine and levy fees and charges, and to make and enforce by-laws.

*Delegation of powers*

- 8.—(1) The Authority may from time to time, by writing under the hand of the Chairperson, delegate to any person or committee any of the Authority's powers under this Decree.
- (2) A delegation under this section may be made to a specified person or committee or to the holder for the time being of a specified office or to the holders of a specified class.
- (3) A delegation may be made subject to such restrictions and conditions as the Authority thinks fit, and may be made either generally or in relation to any particular case or class of cases.
- (4) Any person or committee purporting to exercise any power of the Authority by virtue of a delegation under this section shall, when required to do so, produce evidence of his or her or its authority to exercise the power.

*Resignation and removal*

- 9.—(1) A member of the Authority may resign from his or her office by giving 30 days written notice to the Minister.
- (2) The Chairperson and members may be removed by the Minister for inability to perform the functions of the Authority (whether arising from infirmity of body or mind, absence, misbehaviour or any other cause) or may be otherwise removed by giving one months' notice or one months' remuneration in lieu of notice.

*Vacation of office*

- 10.—(1) The office of a member shall become vacant if the member—
- (a) has been absent, without leave of the Authority, from 3 consecutive meetings of the Authority;
  - (b) become or has, in Fiji or elsewhere, been declared bankrupt and has not been discharged;

16

- (c) has, in Fiji or elsewhere, been convicted of an offence that carries an imprisonment term of more than 1 year; or
- (d) has, in Fiji or elsewhere, been disqualified or suspended from practicing his or her profession by any competent authority by reason of misconduct.

(2) The Authority may act notwithstanding a vacancy in its membership.

*Meetings and proceedings of the Authority*

11.—(1) The Chairperson shall preside at all meetings of the Authority, and if the Chairperson is not present at a meeting then the members present may for that particular meeting choose a member to preside as the Acting Chairperson in the absence of the Chairperson.

(2) At a meeting, 3 members shall form a quorum.

(3) Any issues raised or to be decided shall be decided by a majority of the votes of the members present and voting, and in the event of equality of votes, the Chairperson, or in his or her absence, the member presiding shall have a casting vote.

(4) The validity of any proceedings of the Authority shall not be affected by any vacancy amongst its members or by any defect in the appointment of any member.

*Authority may invite others to meetings*

12. The Authority may invite a person to attend a meeting of the Authority for the purpose of advising it on any matter under discussion, but the person so attending shall have no vote at the meeting.

*Disclosure of interest*

13.—(1) A member of the Authority who is, directly or indirectly, interested in a matter under discussion by the Authority shall disclose to the Authority the fact and nature of his or her interest.

(2) A disclosure under subsection (1) shall be recorded in the minutes of the Authority.

(3) After a disclosure under subsection (1) the member in question—

- (a) shall not take part in nor be present during any discussion, deliberation or decision of the Authority; but
- (b) may be counted for the purpose of forming a quorum of the Authority.

(4) A member who fails to disclose his or her interest as required by subsection (1) commits an offence and shall be liable upon conviction to a fine not exceeding \$10,000 and to imprisonment of 5 years or to both.

*Minutes*

14.—(1) The Authority shall keep minutes of all meetings in a proper form.

(2) Any minutes, if duly signed by the Chairperson or person presiding, shall, in any legal proceedings, be admissible as evidence of the facts stated in them and a meeting of the Authority in respect of which the minutes have been so signed is deemed to have been duly convened and held and the member present at it to have been duly appointed to act.

*Common seal*

15.—(1) The Authority shall have a common seal of such design as it may decide.

(2) The common seal shall be kept by the Chairperson and its affixing shall be authenticated by any two members generally or specifically authorised by the Authority for the purpose, or by one such member and the Chairperson.

(3) All deeds, documents, and other instruments purporting to be sealed with the common seal and authenticated in accordance with subsection (2) shall, unless the contrary is proved, be presumed to have been validly executed.

(4) The common seal of the Authority shall be officially and judicially noticed for all purposes.

*Procurement process and plan*

16.—(1) The Authority shall establish and implement a procurement process and plan for the procurement of all goods and services by the Authority.



(2) All goods and services procured by the Authority shall be in accordance with the procurement process and plan established by the Authority under subsection (1).

(3) The provisions of the Procurement Regulations 2010 shall not apply to the Authority.

*Minister may give directions*

17. The Minister may, in his discretion, give such directions to the Authority, with respect to the performance of the functions of the Authority by the Committee, and the Committee shall comply with any such directions issued by the Minister.

PART 3—TRANSFER AND ACQUISITIONS OF ASSETS AND LIABILITIES

*Transfer of assets and liabilities*

18.—(1) As from the commencement of this Decree, all moveable property vested in the State immediately before that date and used or managed by the Department, and all assets, interests, rights, privileges, liabilities and obligations of the State relating to the Department shall be transferred to and shall vest in the Authority without conveyance, assignment or transfer.

(2) Every right and liability vested in subsection (1) in the Authority may, on and after the commencement of this Decree, be sued on, recovered or enforced by or against the Authority in its own name and it shall not be necessary for the Authority or the State to give notice to any person whose right or liability is affected by the vesting.

(3) On and after the commencement of this Decree, any agreement relating to any property, rights and liabilities transferred to and vested in the Authority under subsection (1) to which the State was a party immediately before the commencement of this Decree, whether in writing or otherwise, and whether or not of such a nature that rights and liabilities could be assigned by the state, shall have effect as if the Authority had been a party to the agreement.

(4) If a question arises as to whether any particular property, asset, interest, right, privilege, liability or obligation has been transferred to or vested in the Authority under subsection (1), a certificate signed by the Minister shall be conclusive evidence that the property, asset, interest, right, privilege, liability or obligation was or was not so transferred or vested.

*Transfer of employees*

19.—(1) As from the commencement of this Decree, all persons employed immediately before that date in the Department shall be transferred to the Authority.

(2) Until such time as terms and conditions, including rules as to the conduct and discipline of its employees are drawn up by the Authority, the terms and conditions of employees shall continue to apply to every person transferred under subsection (1).

*Rights of transferred employees*

20. For the purposes of every enactment, law, award, determination, contract and agreement relating to the employment of a transferred employee, the contract of employment of that employee is deemed to have been unbroken and the period of employment is for all purposes deemed to have been a period with the Authority.

*Existing Contracts*

21. All deeds, bonds, agreements, instruments and arrangements to which the Department is a party subsisting immediately before the commencement of this Decree shall continue in force after that date and shall be enforceable by or against the Authority as if the Authority had been named therein or had been a party thereto instead of the Department.

*Continuation of proceedings*

22. Any action, arbitration, proceedings or cause of action that relates to a transferred asset, liability or employee and that immediately before the commencement of this Decree is pending or existing by, against, or in favour of the Department, or to which the Department is a party, may be prosecuted and, without amendment of any writ, pleading or other documents, continued and enforced against, or in favour of the Authority.

*No benefit in respect of abolition or re-organisation of office*

23. A person who is transferred to the Authority is not entitled to claim any benefit on the ground that he or she has been retired from the Department on account of abolition or re-organisation of office in consequence of the establishment and incorporation of the Authority.

#### PART 4—MANAGEMENT AND FINANCE OF AUTHORITY

##### *Appointment of Chief Executive Officer*

24.—(1) The Authority may appoint a suitably qualified person as the Chief Executive Officer of the Authority, in accordance with other terms and conditions the Authority may approve.

(2) The Chief Executive Officer may be appointed for a term not exceeding three years and is eligible for re-appointment.

(3) The Chief Executive Officer may be remunerated in a manner and at rates subject to terms and conditions determined by the Minister.

##### *Functions of the Chief Executive Officer*

25.—(1) The Chief Executive Officer shall be responsible to the Authority for the Management of the Authority.

(2) The Chief Executive Officer shall attend every meeting of the Authority, and if he or she, for any reason, is unable to attend a meeting, the Chief Executive Officer may, in consultation with the Chairperson, nominate an officer to attend on his or her behalf.

(3) The Chief Executive Office shall not engage in any other business without the prior consent of the Authority.

##### *Appointment of staff*

26.—(1) The Authority shall appoint such officer, servants or agents as it considers necessary for the efficient exercise, performance and discharge of its duties.

(2) The officers appointed under this section shall be remunerated in a manner, and at rates subject to terms and conditions determined by the Authority and approved by the Minister.

##### *Funds of the Authority*

27.—(1) The Funds of the Authority for the purposes of this Decree shall consist of—

- (a) any money appropriated by Government;
- (b) rates, fees and other charges received by or on behalf of the Authority by virtue of this Decree; and
- (c) any other money received by or on behalf of the Authority.

#### PART 5—REPORTING AND ACCOUNTABILITY

##### *Financial year*

28. The Authority's financial year shall be from the 1st day of January to the 31st day of December of each year.

##### *Half yearly reports*

29.—(1) The Authority shall furnish to the Minister a report on its activities for the first half of each financial year.

(2) The half yearly report shall include the information required by the Authority's statement of corporate intent to be given in the report.

##### *Annual Reports*

30.—(1) Within 3 months after the end of each financial year, the Authority shall in accordance with its statement of corporate intent prepare a report of its activities during that financial year.

(2) The Authority shall send a copy of the Annual Report to the Minister who shall cause it to be laid before Cabinet as soon as practicable.

(3) The annual report required by subsection (1) shall contain, among other things—

- (a) an audited statement of accounts prepared in accordance with generally accepted accounting practice as determined by the Fiji Institute of Accountants;
- (b) a statement of financial performance, including a statement of the financial position of the Authority;
- (c) a statement of cash flows;
- (d) such other information as is required to give a true and fair view of the Authority's financial affairs; and
- (e) a copy of the auditor's report.



(4) The Annual Report shall include the information required by the Authority's statement of corporate intent to be given in it.

*Corporate Plan*

31.—(1) The Authority shall in each year publish a corporate plan setting out plans for the future operations of the Authority and shall act in accordance with it.

(2) The Minister may issue guidelines as to the format and content of the corporate plan and the Authority shall comply with the guidelines except as otherwise agreed in writing by the Minister.

(3) A corporate plan shall, except as otherwise agreed in writing by the Minister, contain—

- (a) a forecast of profit and loss accounts, balance sheets and cash flows for the current and following 2 financial years; and
- (b) a statement of the assumptions on which the forecasts are based.

(4) The corporate plan shall be consistent with the Authority's statement of corporate intent.

*Authority to have statement of corporate intent*

32.—(1) The Authority shall, in each year, publish a statement of corporate intent containing a summary of the corporate plan and setting out the financial and non-financial performance targets of the Authority for that year.

(2) In addition to the matters mentioned in subsection (1), the statement of a corporate intent shall include—

- (a) an outline of the objectives of the Authority;
- (b) an outline of the nature and scope of the activities proposed to be undertaken by the Authority;
- (c) an outline of the Authority's main undertakings;
- (d) an outline of the borrowings made and proposed to be made by the Authority, and the corresponding sources of funds;
- (e) an outline of the Authority's policies and procedures relating to the acquisition and disposal of major assets;
- (f) a description of the Authority's accounting policies;
- (g) a description of the financial information to be given to the Minister in the half yearly and Annual Report;
- (h) a description of measures by which the performance of the Authority may be judged in relation to its objectives, in addition to the performance targets required by subsection (1); and
- (i) such other matters as are agreed by the Minister and the Authority or are directed by the Minister to be included in the statement of corporate intent.

(3) The Minister may, in writing, exempt the Authority from including in its statement of corporate intent any matter, or any aspect of a matter, mentioned in subsection (2).

*Audit*

33.—(1) The Authority is required to be audited at least once a year.

(2) The audit is to be conducted in accordance with the Audit Act (Cap. 70) and the Financial Management Act 2004, except where the audit is conducted by a person appointed by the Authority under subsection 3.

(3) The audit is to be conducted by—

- (a) the Auditor General or a person authorised or contracted under the Audit Act (Cap. 70) to carry it out, unless the Authority is exempted from audit under that Act by the Regulations; or
- (b) a person appointed by the Authority, if the Authority is so exempted from audit under the Audit Act (Cap. 70)

(4) The person appointed by the Authority under section 3(b) is to be—

- (a) a person that the Minister for Finance directs the Authority in writing to appoint; or
- (b) if the Minister for Finance gives no such directions, the person chosen by the Authority.

## PART 6—TRANSITIONAL AND SAVINGS

### *Establishment of the Fiji Road Advisory Committee*

34.—(1) Until such time as the members of the Authority are appointed by the Minister under Part 2 of this Decree, the functions of the Authority shall be performed, and the powers of the Authority shall be exercised, by the Fiji Road Advisory Committee which shall consist of the Permanent Secretary for the Prime Minister's Office as the Chairperson and 4 other members appointed by the Minister.

(2) The Chairperson and members of the Committee shall hold office until such time as the Authority is appointed.

(3) The Minister may, in his discretion, give directions to the Committee with respect to the performance of the functions of the Authority by the Committee, and the Authority shall comply with any such directions issued by the Minister.

### *Meetings and Proceedings*

35.—(1) At all meetings, 4 members shall form a quorum.

(2) The Chairperson shall preside at all meetings of the Committee.

(3) Any issues raised or to be decided shall be decided by a majority of the votes of the members present and voting, and in the event of equality of votes, the chairperson, shall have a casting vote.

(4) The validity of any proceedings of the Authority shall not be affected by any vacancy amongst its members or by any defect in the appointment of any member.

### *Committee may invite others to meetings*

36. The Committee may invite a person to attend a meeting of the Committee for the purpose of advising it on any matter under discussion, but the person so attending shall have no vote at the meeting.

### *Appointment of Change Manager*

37.—(1) Following consultation with the Committee, the Minister shall, immediately upon the commencement of this Decree appoint a Change Manager on such terms and conditions as determined by the Minister.

(2) The Change Manager appointed under subsection (1) shall be responsible for the management of the functions of the Authority and exercise such powers and perform such duties as directed by the Committee, including but not limited to the following—

- (a) full Executive Management responsibility for the Authority;
- (b) recommend a staff structure for the Authority including redundancy plans, and new appointment processes;
- (c) identify the future financial management, information technology, asset management systems and records requirements;
- (d) identify office accommodation, office furniture, plant and vehicle requirements;
- (e) prepare a procurement plan for the Committee's consideration;
- (f) review the current road classification system, the continuing appropriateness of the definition of each classification, and the roads that have been allocated to each classification;
- (g) review the current technical service standards;
- (h) review the adequacy or otherwise of, any insurance protection approach, including the clarification of any potential liability should the cause of an accident be a result of the road condition;
- (i) review or prepare a business continuity and emergency response plan; and
- (j) identify and manage disposal of any surplus assets of the Authority.

(3) In the performance of any functions or exercising any powers under the Decree, the Change Manager shall report to and take instructions from the Committee.

(4) The Change Manager shall perform such additional functions and exercise such additional powers as the Committee may delegate to the Change Manager in writing.

(5) The provisions of this Decree shall be applicable and binding on the Change Manager appointed by the Minister under subsection (1).

#### PART 7—MISCELLANEOUS

##### *Regulations*

38. The Minister may make regulations to give effect to the provisions of this Decree.

##### *Consequential*

39. This Decree has effect notwithstanding any provision of any written law, and accordingly, to the extent that there is any inconsistency between this Decree and any other written law, this Decree prevails.

Given under my hand this 5th day of January 2012.

EPELI NAILATIKAU  
President of the Republic of Fiji

EXTRAORDINARY



# REPUBLIC OF FIJI GOVERNMENT GAZETTE

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[545]

### GOVERNMENT OF FIJI

#### FIJI ROAD AUTHORITY (AMENDMENT) DECREE 2012 (DECREE NO. 46 OF 2012)

IN exercise of the powers vested in me as the President of the Republic of Fiji and the Commander in Chief of the Republic of Fiji Military Forces by virtue of the Executive Authority of Fiji Decree 2009, I hereby make the following Decree—

#### TO AMEND THE FIJI ROAD AUTHORITY DECREE 2012

##### *Short title and commencement*

1.—(1) This Decree may be cited as the Fiji Road Authority (Amendment) Decree 2012 and shall come into force on the date of its publication in the *Gazette*.

(2) The Fiji Road Authority Decree 2012 shall be referred to as the “Principal Decree”.

##### *Amendment to all references of “Fiji Road Authority” in the Principal Decree*

2. The Principal Decree is amended by deleting “Fiji Road Authority” wherever it appears and substituting “Fiji Roads Authority”.

##### *Amendment to all references of “Fiji Road Advisory Committee” in the Principal Decree*

3. The Principal Decree is amended by deleting “Fiji Road Advisory Committee” wherever it appears and substituting “Fiji Roads Advisory Committee”.

##### *Section 2 amended*

4. Section 2 of the Principal Decree is amended by deleting the definition of “roads” and substituting the following—

““road” or “roads” means all land and civil infrastructure constructed by any municipal council or government body, or any other body authorised by a municipal council or government body that is used as or facilitates a public right of passage for the movement of vehicles and pedestrians, including but not limited to—

- (a) the vehicle pavement from curb to curb, or where there is no curb, the roadside verges, drains and curbs;
- (b) road signs, road marker posts and other markings, including pedestrian crossings;
- (c) traffic islands;
- (d) bridges and culverts;
- (e) footpaths and pavements adjacent to a vehicle pavement;
- (f) street lights and traffic lights;
- (h) parking meters;
- (i) jetties; and
- (j) all national roads, municipal roads, and such other public roads as may be determined by the Authority.”

##### *Section 6 amended*

5. Section 6 of the Principal Decree is amended in paragraph (a) by deleting “public roads, bridges and jetties” and substituting “roads”.



*Section 17 amended*

6. Section 17 of the Principal Decree is amended by deleting it and substituting the following—

*“Minister may give directions*

17. The Minister may, in his discretion, give directions to the Authority with respect to the performance of the functions of the Authority, and the Authority shall comply with any such directions issued by the Minister.”

*Section 18 amended*

7. Section 18 of the Principal Decree is amended by deleting it and substituting the following—

*“Transfer of assets, interests and liabilities*

(1) As from the commencement of this Decree, all assets, interests, rights, privileges, liabilities and obligations of—

- (a) the State in relation to the Department; and
- (b) municipal councils in relation to municipal roads,

shall immediately be transferred to and shall vest in the Authority without conveyance, assignment or transfer.

(2) Every right and liability vested in subsection (1) in the Authority may, on and after the commencement of this Decree, be sued on, recovered or enforced by or against the Authority in its own name and it shall not be necessary for the Authority, the State or any municipal council to give notice to any person whose right or liability is affected by the vesting.

(3) On and after the commencement of this Decree, any agreement relating to any property, rights or liabilities transferred to and vested in the Authority under subsection (1) to which the State or any municipal council was a party immediately before the commencement of this Decree, whether in writing or otherwise, and whether or not of such a nature those rights and liabilities may be assigned by the State or any municipal council, shall have effect as if the Authority had been a party to the agreement.

(4) If a question arises as to whether any particular property, asset, interest, right, privilege, liability or obligation has been transferred to or vested in the Authority under subsection (1), a certificate signed by the Minister shall be conclusive evidence that the property, asset, interest, right, privilege, liability or obligation was or was not so transferred or vested.”

*New section inserted*

8. The Principal Decree is amended by inserting the following new section after section 38—

*“Indemnity*

38A.—(1) Neither the Committee, the Change Manager, the Authority nor any officer, servant, workman or labourer employed or engaged by the Committee, the Change Manager or the Authority shall be liable for any action, suit, proceeding, dispute or challenge in any Court, Tribunal or any other adjudicating body for or in respect of any act or omission done in the exercise or non-exercise of the powers conferred by or duties prescribed under the provisions of this Decree or any other written law.

(2) Notwithstanding anything contained in subsection (1), the Minister may on an ex-gratia basis grant compensation to any person who has suffered any injury or damage to property, caused either directly or indirectly by any act or omission done in the exercise or non-exercise of the powers conferred by or duties prescribed under the provisions of this Decree or any other written law.”

GIVEN under my hand this 14th day of May 2012.

EPELI NAILATIKAU  
President of the Republic of Fiji



EXTRAORDINARY

2347



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[864]

GOVERNMENT OF FIJI

FIJI ROADS AUTHORITY (AMENDMENT) DECREE 2014  
(DECREE NO. 27 OF 2014)

In exercise of the powers vested in me pursuant to section 4 of the Office of the Vice-President and Succession Decree 2009 and section 165(4) of the Constitution of the Republic of Fiji, I hereby make the following Decree—

A DECREE TO AMEND THE FIJI ROADS AUTHORITY DECREE 2012

*Short title and commencement*

1.—(1) This Decree may be cited as the Fiji Roads Authority (Amendment) Decree 2014 and shall come into force on the date of its publication in the *Gazette*.

(2) The Fiji Roads Authority Decree 2012 shall be referred to as the “Principal Decree”.

*Section 2 amended*

2. Section 2 of the Principal Decree is amended by—

- (a) deleting the definition of “Change Manager”; and
- (b) deleting the definition of “Minister” and substituting the following—  
““Minister” means the Minister responsible for Roads;”

*Section 6 amended*

3. Section 6 of the Principal Decree is amended by deleting paragraph (d).

*Section 24 amended*

4. Section 24 of the Principal Decree is amended by—

- (a) deleting “other” after “with” in subsection (1); and
- (b) deleting subsection (3).

*Section 26 amended*

5. Section 26 of the Principal Decree is amended in subsection (2) by deleting “and approved by the Minister”.

*Section 30 amended*

6. Section 30 of the Principal Decree is amended in subsection (1) by deleting “3” and substituting “4”.

*Section 34 amended*

7. Section 34 of the Principal Decree is amended in subsection (1) by deleting “the Permanent Secretary for the Prime Minister’s Office as the Chairperson” and substituting “a Chairperson”.

*Section 35 amended*

8. Section 35 of the Principal Decree is amended in subsection (1) by deleting “4” and substituting “3”.

2348

*Section 37 deleted*

9. Section 37 of the Principal Decree is deleted.

*Section 38A amended*

10. Section 38A of the Principal Decree is amended in subsection (1) by deleting all references to “the Change Manager”.

Given under my hand this 5th day of August 2014.

A. H. C. T. GATES  
Chief Justice



I assent.

E. NAILATIKAU  
President

[14 July 2015]

## AN ACT

### TO AMEND THE FIJI ROADS AUTHORITY DECREE 2012

ENACTED by the Parliament of the Republic of Fiji—

#### *Short title and commencement*

- 1.—(1) This Act may be cited as the Fiji Roads Authority (Amendment) Act 2015.
- (2) This Act shall come into force on the date of its publication in the *Gazette*.
- (3) In this Act, the Fiji Roads Authority Decree 2012 shall be referred to as the “Decree”.

#### *Section 2 amended*

2. Section 2 of the Decree is amended by deleting the definition of “Minister” and substituting the following—

““Minister” means the Minister responsible for the Fiji Roads Authority;”

#### *Section 5 amended*

3. Section 5 of the Decree is amended by inserting the following new subsection after subsection (2)—

“(2A) The Chief Executive Officer shall be an *ex officio* member of the Authority with no voting rights.”

*Section 11 amended*

4. Section 11 of the Decree is amended by inserting the following new subsection after subsection (4)—

“(5) The Authority shall have a minimum of one meeting in each month.”

Passed by the Parliament of the Republic of Fiji this 9th day of July 2015.