



2018-2019

ANNUAL REPORT

MINISTRY OF DEFENCE
NATIONAL SECURITY
AND POLICING

Parliamentary Paper number 08 of 2023

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REFFERAL LETTER

Hon. Inia B Seruiratu
Ministry of Defence, National Security and Policing
Level 1 Government Building New Wing
SUVA

Dear Sir

I have the great pleasure in submitting to you, for presentation to Cabinet and Parliament, the Annual Report of the Ministry of Defence, National Security and Policing 2018 – 2019.

The Report highlights the Ministry's performance in delivering services to the people of Fiji and contributing to the outcomes targeted by the Government including the Audited Financial Statements as required by section 45 (3), 46 (2), 47 (2) and 48 of the Financial Management Act 2004.

The report also illustrates the effort, commitment and achievements of our staff.

Yours sincerely



Manasa Lesuma
Permanent Secretary



PERMANENT SECRETARY'S STATEMENT

As the Permanent Secretary for Defence, National Security and Policing, I am pleased to present the Ministry Annual Report for Financial Year 2018 – 2019.

The report effectively summarises the performances and achievements of the staff of the Ministry based on the financial and human resources granted by Government to allow the Ministry delivered its required services as outlined in the 2018 – 2019 Costed Operation Plan.

At the outset, the Ministry continued to work with its stakeholders for the improvements of its policies to ensure safety, security and wellbeing of our people. We continued depending on our security forces for the achievement of our ultimate goals, relationship improvement focused in ensuring our policy directions contributed effectively in the Ministry's strategic objectives.

I wish to acknowledge the guidance and support provided by the Honourable Minister who had spearheaded the focus and direction of our Ministry during this reporting period.

The Ministry will continue to achieve its KPIs and will embrace new challenges that may come our way in the next financial year. I extend my sincere appreciation to all staff in the Ministry and stakeholders for the remarkable achievement.

A handwritten signature in blue ink, consisting of a stylized 'M' followed by a series of loops and a final flourish.

Manasa Lesuma

Permanent Secretary for Defence, National Security and Policing

LINKAGES TO GOVERNMENT STRATEGIC PRIORITIES

STRATEGIC PRIORITIES	OUTCOMES	OUTPUTS
1. Strengthening institutional arrangements within the national security and defence framework	1.1 A more efficient and effective national security mechanism that is proactive and modernised to meet evolving and emerging security threats.	10% improvements in the effectiveness and efficiency of Fiji's National Security System
	1.2 Better and proper coordination of security and defence matters through proper administration of the NSDC	5% improvement in the coordination of NSDC Meetings and implementation of its resolution
	1.3 An improved intelligence coordination mechanism in place to ensure holistic and timely provision of intelligence advice to government executive	20% improvement on the platforms, volume and quality of information exchange between all intelligence stakeholders. 10% improvement on awareness of Government Executives on developing security situation globally, regionally and locally.
	1.4 A more effective and efficient Ministerial structure is in place tailor-made to meet Fiji's security and defence needs.	100% achievement of strategic targets and 10% improvement in the quality of the delivery of the Ministry's strategic priorities.
	1.5 A more qualified and technically proficient workforce is established to ensure that professional advice given on any security and defence matter are the best with Fiji's interest first and foremost	All position holders within the Ministry are fully compliant with OMRS requirements by 2020.
	1.6 A better informed government executive that is able to make decision on specific agendas and policies with full visibility on its security and defence environment.	10% improvement on the awareness of Parliamentarians and Government Executives on developing security situation globally and locally and 10% improvement in Fiji Defence and Security Platform Systems.
	1.7 Improve public relations platform within the Ministry for proper dissemination and monitoring of Ministry related news.	10% improvement on the awareness of the general public on the Ministry initiatives.

STRATEGIC PRIORITIES	OUTCOMES	OUTPUTS
	1.8 Place of solace in place to remember those who gave their life for the greater good of all mankind and also to formally recognize the service of all our service personnel.	Government recognition of the contribution of our security forces to global peace.
	1.9 Improve protective security arrangement across government.	25% improvement on the protection and security of Government and the Ministry's information, Assets and Employees.
2. Strengthen Boarder Security	2.1 Ensure that security requirements within your major ports of entry are at its optimum level at all times to enable them to respond to any threats of transnational criminal activities with ease and with minimal interference on normal day to day services to the people.	5% improvement in our response capability and platform against transnational crimes.
	2.2 MOU in place to assist in information sharing with Boarder Security Agencies.	20% improvement in the exchange of information among our Boarder Agencies.
	2.4 Improved capability and capacity for protection of life at sea.	5% improvement on our capability to protect life at sea.
	2.5 Improved maritime surveillance platform through the use of strategic agreements with our strategic development partners to plug the gaps within our maritime surveillance and monitoring programs.	10% improvement in Fiji's capability and capacity for surveillance of Fiji waters.
	2.6 Proper survey of Fiji's maritime domain to ensure maximum connectivity through sea ways of travel and minimize accidents at sea.	50% improvement in our hydrographic capability and 5% improvement in the provision of maritime charts.
	2.7 Improve national preparedness for pandemic outbreak.	5% improvement on the preparedness of our key stakeholders to response to a pandemic outbreak.

STRATEGIC PRIORITIES	OUTCOMES	OUTPUTS
	2.8 Improve Fiji's Search and Rescue [SAR] Platforms & Systems and conduct of SAR Operations.	10% improvement in our Search and Rescue Capability and 10% improvement in number of successful SAR operations.
3. Maintain sovereignty and territorial integrity.	3.1 Improve Fiji Defence capabilities to mitigate emerging and evolving threats.	10% improvement in our Defence Capability within the next five years.
	3.4 Fiji's position in regards to its international obligations are re-aligned to reflect its strategic priorities and that these positions are localised to ensure that legal instruments are in place to reflect our commitments.	10% improvement in our commitment to ratify and comply with international treaties and conventions on defence and security.
4. Maintain the community and people's wellbeing	4.1 Fiji's communities and its people are well protected from the use and ill-effects of narcotics.	10% improvement in our capability to combat narcotics.
	4.3 Adequately resource the police force to improve responsiveness to crime e.g with police vehicles and crime detection equipment, response to natural disasters and other national emergencies.	5% improvement in the capability of our Police Force to handle emerging and evolving security threats.
	4.4 Improve capability and capacity of our police force through diplomatic alliance	Improvement in Regional Policing capacity and capability.
	4.6 Revitalize and strengthen domestic security apparatus & Review and Enforce regulated security responsibilities.	90% way forward resolved.
	4.7 Coordination of National Celebrations directed by Government.	Successful conduct of both National Celebrations.
5. Improve and strengthen regional and global security	5.1 Establish agreements with our strategic international partners to build capability and capacity for our troops for peace keeping deployments.	10% improvements in our capacity and capability to deploy troops for peacekeeping.

STRATEGIC PRIORITIES	OUTCOMES	OUTPUTS
	5.2 Ensure that a holistic defence platform is established with strategic alliances playing a pivotal role in providing support in areas that the RFMF may not be able or is not equipped to mitigate or response to.	10% improvement in the capability and capacity of the RFMF.
8. Ensure Financial Effectiveness. Enhancing Public Sector Efficiency, performance effectiveness and service delivery	8.1 Reduction in audit queries from previous financial year and proper implementation of audit recommendations	10% reduction in audit queries.
	8.2 Effective and Efficient business processes in place to provide platform for timely delivery of services to our customers [customer satisfaction]	10% improvement in the Ministry HR Management systems and processes Planning and reporting timelines are met. Improvement on the delivery of Ministry outputs.
	8.3 Continuous improvement of the service delivery against service standards	10% decrease in disciplinary cases within the Ministry.
	8.4 A technically and tactically efficient workforce	Well trained workforce prepared to take on responsibilities within the Ministry.

CORPORATE PROFILE

VISION

"A SAFE, SECURE AND PROSPEROUS FIJI FOR ALL"

MISSION

"PROVIDING STRATEGIC LEADERSHIP, POLICY GUIDANCE AND TRANSFORMING DEFENCE AND SECURITY PLATFORMS TO ENSURE SAFE AND SECURE FIJI FOR ALL"

OUR VALUES

HONESTY AND INTERGRITY

We will act and speak truthfully at all times and will maintain the highest ethical standards in all our dealings

PROFESSIONALISM

We will be professional and expedient at all times ensuring that our services and the quality of service we provide are of the highest standard

ACCOUNTABILITY

We will at all times be accountable for all decisions and actions and we will not abandon our responsibility

TRANSPARENCY

We will practice openness and be transparent in our dealings with all stakeholders

EFFICIENCY

We will aim to do more with less and have quick turnaround time for all services to our stakeholders

CUSTOMER FOCUS

We will serve our customers and strive at all times to meet their expectations

TEAMWORK

We will at all times Trust and Support each other, build good relationships and maintain Good Team Spirits.

OUR CUSTOMERS

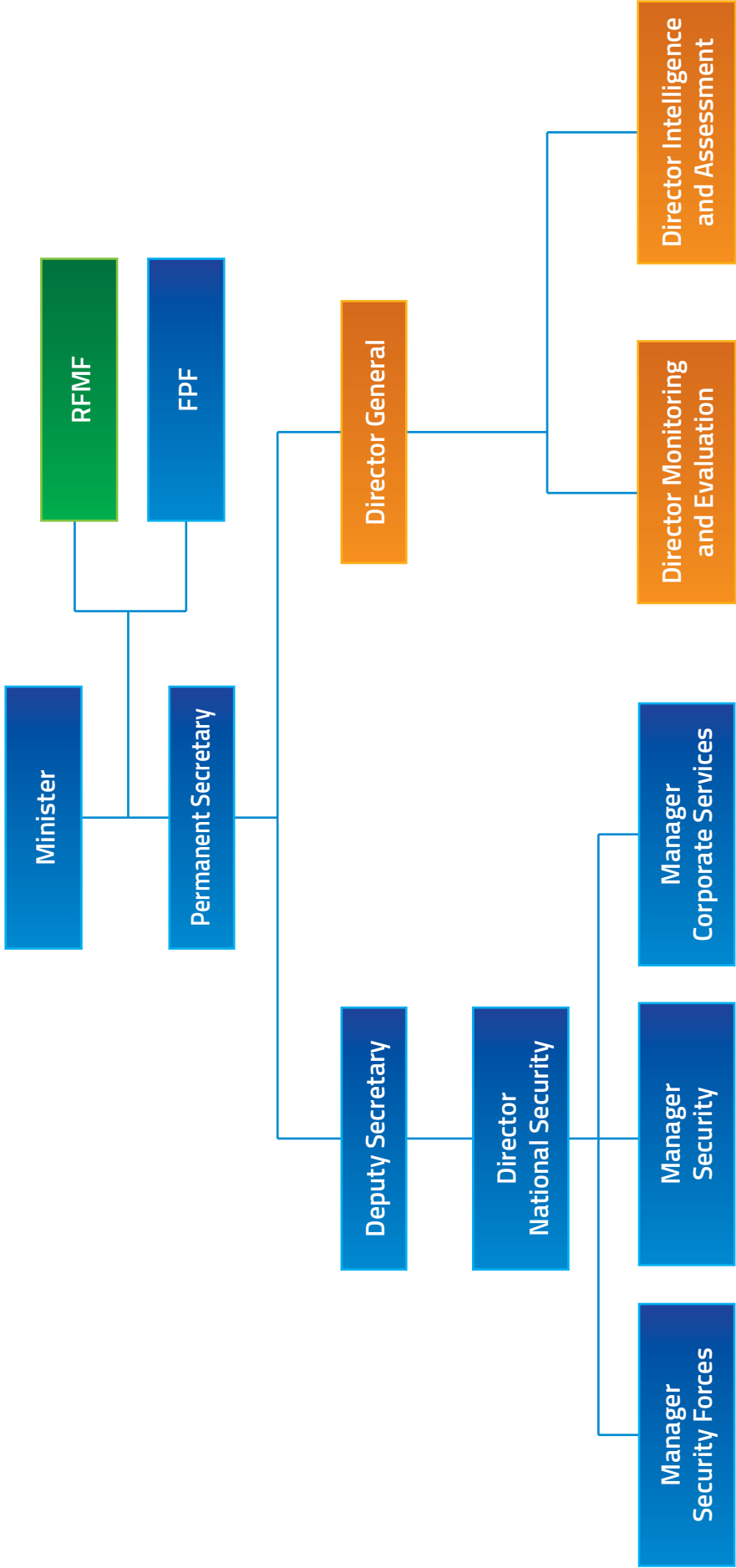
We take pride in serving our customers by implementing the 'Customer Service Charter' which sets out our commitment to providing high quality standards of services that is beyond customer expectations.

Our customers include:

INTERNAL	EXTERNAL
Minister for Defence, National Security	HE the President
Executive Management	Prime Minister
Fiji Police Force	ALL Ministers
Republic of Fiji Military Forces	Cabinet Office
ALL Staff	Ministries and Departments
	Members of the Public
	Private Sector
	Statutory Bodies
	Non-Governmental Organisations
	Diplomatic Missions
	International Organisations
	Providers of Goods and Services



ORGANISATION STRUCTURE



OUR STATUTORY FUNCTIONS

Defence & National Security

- Defence, Security & Public Order
- Hydrography
- Maritime Surveillance
- National Day Celebrations
- Rehabilitation of Offenders
- Veteran Affairs

Responsibility for all written laws regulating the business of the above functions including in particular the following Acts, Promulgations and Decrees and the subsidiary laws made thereunder:-

- Anti-Personnel Mines Decree 2011
- Arms and Ammunition Act 2003
- Biological & Toxin Weapons Decree 2011
- Chemical Weapons Convention Act 2005
- Geneva Conventions Promulgations 2007
- Police Act (Cap. 85)
- Public Order Act (Cap 20)
- Public Safety Act (Cap 19)
- Rehabilitation of Offenders (Irrelevant Convictions) Act 1997
- Republic of Fiji Military Forces Act (Cap 81)
- Security Industry Decree 2010
- Visiting Forces Decree 1991
- State Service Decree 2009

FUNCTIONS OF THE PERMANENT SECRETARY

Subject to Section 127 (3), (7) and (8) of the 2013 Constitution the Permanent Secretary has the following functions-

- (a) responsible to the Minister for the efficient and economical management of the Ministry of Defence & National Security;
- (b) have the authority to appoint, remove and institute disciplinary action against all staff of the Ministry with the agreement of the Minister of Defence, National Security; and
- (c) to determine all matters pertaining to the employment of all staff of the Ministry, with the agreement of the Minister, including:
 - i. terms and conditions of employment;
 - ii. qualification requirements for appointment and the process to be followed for appointment which must be open, transparent and competitive selection based on merit;
 - iii. salaries, benefits and allowances payable in accordance with the approved budget; and
 - iv. total establishment or the total number of staff that are required to be appointed in accordance with the approved budget



DANIEL K. INOUE
ASIA-PACIFIC CENTER FOR
SECURITY STUDIES



PACIFIC ISLANDS
FORUM SECRETARIAT

National Security Policy Development in the Pacific Islands: Shared Experiences, Lessons Learned and Best Practices

March 26-29, 2019 | Honolulu, Hawaii

Policy Division (PD)

The overall roles and functions of the Policy Division are:

- a. To provide a coordinating role on policy matters that are of relevance to the two disciplined services namely the Fiji Police Force and the Republic of Fiji Military Forces;
- b. To overseeing our compliance to the various international obligations that impact on Search & Rescue, Defence and Law & Order of which Fiji is a signatory to; and
- c. Coordinate Defence and Security bilateral with other countries.
- d. Coordinate activities on capital projects administered by the Ministry.

The Division during this reporting period continued to execute its responsibilities as outlined in the Ministry's Annual Costed Operation Plan. The Division's achievement below are reported in order of the Ministry's policy objectives.

Strengthening Law and Orders, Safety and Security

A major output of the Division is the provision of quality and timely periodical defence and security advice to parliament, cabinet, the National Security Defence Council (NSDC) and other customers and when required. Under this output the Ministry was able to provide thirty (30) Cabinet Papers, seven (7) Parliamentary questions and responses and five (6) papers to the NSDC.

Strengthening Defence Capabilities

The work on the relocation of the 3DP, FHS and RSS was an output identified under this strategic priority. The reporting period recorded the approval granted for this relocation with all preliminary works completed. This includes the approved work plan and fund for the 3DP. Further discussions was also made whereby the Lead Consultant for the project was cancelled with the Australian Government commitment to the construction of the MESC project to the tune of 93M AUD.

The FY also saw the signing of the Shiprider Agreement with the US government on the Illicit Transnational Maritime Operations.

A successful activity which the Division had assisted on was the delivery of the hydrographic ship for the Fiji Navy in December 2019. The Ministry assisted the Republic of Fiji Military Forces (Fiji Navy) on their engagements with their bilateral development partners.

Strengthen Boarder Security

The Division also coordinated a boarder security committee meeting with relevant stakeholders on the replacement and provision of backup service of the L3 X-Ray machines at the Nadi Airport.

In terms of the conduct of consultation with relevant stakeholders on transnational crime issues, senior officials of the Ministry were part of the delegation to Bali for the Seventh Ministerial Conference on the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. The facilitation of Fiji's accession to the Palermo Convention saw the Ministry's effort in reviving interagency meetings and approaching the US Embassy for assistance in the review of the National Action Plan.

The Ministry was also instrumental in the establishment of the Fusion Center now called the RCC with the Fiji Navy. The Fusion Center tracks the movements of ships and aircrafts within Fiji vast boundary and also collate information in terms of disasters.

In ensuring readiness and contingency plan available on global pandemic, the Ministry had coordinated a tabletop and full scale exercise on Ebola at the Nadi Airport for the retuning Police Officer who were serving in Liberia. The exercise had challenged response agencies in terms of resources and manpower.

Search and Rescue

Another successful event was the launching of the Search and Rescue Manual in 2019. This was launched by the Honorable Minister for Defence following the Ministry SAR Roadshow that was held in Lautoka on the 11 – 12 April 2019. The FY also recorded the procurement of the SAR MAP software which has enhanced the search and rescue operation for the Republic of Fiji Navy.

Territorial integrity

The reporting period saw the attendance of the Division to the annual Defence Cooperation Program (DCP) talks where the outcomes were the support to the Peace Keeping Office and the ongoing discussions on the purchase of additional bushmasters for peace keeping with Australia.

In February 2019, the Division also attended two Defence talks with the New Zealand (MAP) and the United States of America (Tempest Exercise). The discussion aimed at the facilitation of the Cartwheel Exercise between the US Army and the RFMF in July 2019. This was a successful event which was held in the Northern Division.

In ensuring Fiji's annual requirements to the international obligations with necessary legislative changes on defence and security conventions were consistently met, the Ministry attended a bilateral meeting with the OPCW Technical Secretariat. The meeting was held along the margins of CWC Annual meeting that confirmed the following:

- Regional Workshop on the Fissile Material Cut-Off Treaty (13 – 14 December 2018)
- Regional Biological Weapons Convention (BWC) Workshop (December 15, 2018)
- Regional CWC Meeting on Chemical Threat Assessment conducted in May 2019
- Ministry attending the ATT Pacific Conference in February 2019
- Ministry completed Fiji's reporting obligations and compliance to the various international convention that impact on Defence and Law and Order

Maintain the community and people's wellbeing

Under this strategic priority, the Ministry aimed at improving the legislative frameworks for narcotics. The Ministry hosted a workshop where relevant stakeholders were invited. The outcome of this workshop was the production of a draft narcotic framework using the pillars outlined in the 2016 UN General Assembly Outcome document.

A legal subcommittee was also established to review the Illicit Drug Control Act 2004 and the draft Volatile Substance Abuse Bill.



Improve and strengthen regional and global security

The output under this strategic priority was the signing of at least two (2) peacekeeping development agreement. With that the Ministry signed the following agreements:

- Vancouver Declarations in 2018 relating to the recruitment of Child Soldiers.
- Compact against Sexual Exploitation and Abuse (SEA) in peace keeping
- Signing of the Kigali Principles

The reporting period also saw the signing of the Blackrock MOU with the Australian Government in March 2019.

The Ministry had also continuously communicating and providing advice with the PRUN Office in New York on peace keeping matters pertaining to the RFMF and FPF.

The provision of the State Partnership Agreement with the State of Nevada was facilitated by the Ministry and the outcome was the signing of the Agreement in February 2019.





National Security Defence Review (NSDR)

The establishment of the NSDR Project was to conduct a review of the Fiji national security, defence and intelligence systems.

National Security Strategy

During this reporting period the project team conducted review of the National Security Strategy (NSS) 2016 draft. The review includes the consultation with the Office of the Solicitor General.

National Integrated Coordination Centre

The FY also saw the commencement on the refurbishment of the National Integrated Coordination Centre and the formulation of a draft National Security Systems document. The refurbishment work also included the work on the purchase of hardware and peripherals for the NICC and Server Room, the application for a separate domain name for the NSDR Local Area Network (LAN) and the formulation of an IT policy for the NSDR LAN.

National Security Defence Council Bill

The project also conducted consultation on the National Security Defence Council (NSDC) Bill with the Office of the Solicitor General and the Chair of the NSD Council.

Establish information sharing with international partners

In terms of the need in improving intelligence coordination mechanism the Director General of the NSDR has ongoing discussions with development partners. The outcome of this discussions were the NSDR Secretariat was assisted technically by the Australian High Commission on the formulation process of the NSS.

The provision of intelligence and assessment information to executive authority in regards to security and defence environment was key whereby the division provided a total of forty five (45) Assessment Papers to its customers. Additionally, the Division was also part of the Fiji Delegation to the September 2018 UN Convention on Bio-Diversity beyond National Jurisdictions in New York.

Protective Security arrangement across government

In improving protective security arrangement across government, the NSDR facilitated a Protective Security Workshop in Partnership with the New Zealand High Commission with key agencies who are represented on Fiji's National Security and Defence Council. The way forward of this was the formulation of the NSDC concept paper on the Protective Security Framework made in close consultation with relevant stakeholders.

Boarder Security

The NSDR Secretariat also conducted Boarder Security MOU meetings, the Boarder Security MOU Drafting Workshop and the submission of the draft MOU to the Office of the Solicitor General.



Corporate Services Division (CSD)

The overall roles and functions of the Corporate Service Division are:

- To ensure uniformity and consistency in the application of policies and procedures that pertains to appointments, promotion, retention and discipline;
- To ensure that management and employees have the requisite skills, competencies, and tools to fulfill its mandate;
- To ensure that MDNS has a secure and comfortable environment that is conducive to productivity & OHS compliant;
- To ensure compliance to the relevant Public Service & Financial Acts, Regulations, policies and procedures;
- Responsible for the coordination of National Events such as the Fiji Day Celebrations and the Remembrance Day.

The Ministry continues to facilitate, support and align itself to the government reform policies and regulations in place. More than eighty percent (80%) of the staff were trained on these new policies and regulations.

Staff Establishment

The Ministry (HQ) 2018 to 2019 had a total approved establishment of seventy (70) positions, thirty seven (37) Established, eleven (11) Government Wage Earners and twenty two (22) Project Officers. There were also three (3) officers appointed as Temporary Relievers.

The Director National Security position was reclassified to Director Policy by the end of 2018.

Filling of Vacant Posts

New Appointments

The Ministry was able to fill fourteen (14) vacant positions during this period. The fourteen (14) positions includes nine (9) established, one (1) GWE, one (1) Project Officer and three (3) Temporary Relieving Officers. Details of officers appointed are as follows:

Established

No.	Name	Position appointed to
1	Terio Koronawa	Director Policy
2	Maria Nabola	Senior Admin. Officer

3	Prashila Mohini	Admin. Officer
4	Sera Mataele	Accounts Officer
5	Kaselia Adivatuvili	Asst. Accounts Officer
6	Tueta Senivasa	Clerical Officer Admin.
7	Verenaisi Takirua	Clerical Officer Training
8	Lorima Sautu	Clerical Officer Defence
9	Simione Nakoula	Clerical Officer Security

Project

No.	Name	Position Appointed to
1	Akuila Savu	Director Monitoring and Evaluation

GWE

No.	Name	Position Appointed to
1	Nemani Vakacabeqoli	Driver

Temporary Relieving

No.	Name	Position Appointed to
1	Avelina Duariba	TRCO
2	Savaira Maka	TRCO
3	Kitiana Nakalevu	TRCO

Contract Renewals

A total of seventeen (17) contracts that were renewed during this period. Out the seventeen contracts renewed, two (2) were established positions, twelve (12) were project positions and three (3) were GWE positions. Details of officers' contract renewed are as follows:

Established

No.	Name	Position
1	Frances Buadromo	Assistant Accountant
2	Alesi Dau	Asst. Librarian

Project

No.	Name	Position
1	Capt. Timoci L Natuva	Director General
2	Marica Rinakama	PAO Admin & Budget
3	Alipate Naulivou	PAO M&E
4	Sainitiki Ravuso	PAO Assement
5	Kuliniasi Tukutukuwaqa	PAO Intelligence
6	Arieta Rokobaro	SAO

7	Ema Vakabu	AO – SP
8	Ilaitia Ravouvou	AO – M&E
9	Imanueli Kubunavanua	EO – SP
10	Vakacegu Ralulu	EO – M&E
11	Joeli Rokodaveta	EO – Police
12	Raijeli Cawai	EO –Public Relations

GWE

No.	Name	Position Appointed to
1	Jale Narokete	Watchman
2	Aseri Bose	Watchman
3	Ledua Kasaimoala	Watchman

Non-renewal of Contract

The reporting period also recorded non-renewal of contract for the following officers:

No.	Name	Position	Date of expiry
1	Maciu Vatuloka	SAO	26/11/2018
2	Deemant Lodhia	Special Assistant to Minister	27/02/2019
3	Joseph Ratumaitavuki	MCS	02/03/2019

Resignation

There were a total of six (6) resignations in the Ministry during this reporting period. These officers' resignations were for further career and personal development.

No.	Name	Position Appointed to
1	Anasimeci Wainiveikoso	AO Assesment
2	Lavenia Tom'Tavala	EO Intelligence
3	Talei Volauca	AO – PR
4	Loraini Kurisau	Secretary
5	Merelesita Cakau	AO Security
6	Salote Cagidaveta	TRCO

Performance Assessments

The Performance Management Framework that is in place had provided a guideline on how performance assessment has to be conducted.

The Annual Performance Assessment for all staff for year 2018 – 2019, was due on April 2019. This was prepared and signed accordingly with some staff rewarded on their performance through increase in salary by step movement.

Training and Capacity Building

The Ministry's target in building capacity of its officers for this reporting period recorded the following officers approved to pursue further studies locally and abroad.

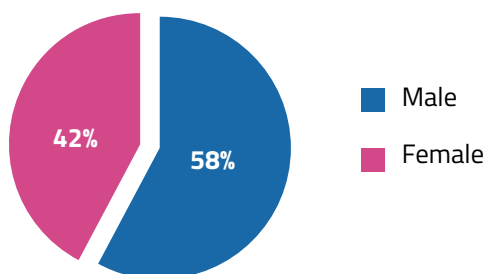
No.	Name	Program	University
1.	Prashila M Priya	Masters of Public Admin. & Public Sector Reform	Seoul National University, Korea
2.	Alesi Dau	Masters of Strategic Security Studies	Macquarie University, Australia
3.	Maria Nabola	Masters of Human Resources Management	University of Wollongong
4	Silina Cama	Masters in International Relations and Diplomacy	University of Fiji
5	Maria Nabola	Post Graduate Diploma in International Relations	University of Fiji
6	Eroni Rokisi	Post Graduate Certificate in International Relations	University of Fiji
7	Litea Buadromo	Post Graduate Diploma in International Relations and Diplomacy	University of the South Pacific
8	Sainitiki Ravuso	Masters of International Relations and Diplomacy	University of the South Pacific

With the eight (8) officers approved, four officers completed their approved program while the other four officers continued to progress with their respective program. The four officers that graduated within this reporting period were as follows:

No.	Name	Position Appointed to
1	Prashila M Priya	AO CSD
2	Alesi Dau	AO Security
3	Maria Nabola	SAO CSD
4	Sainitiki Ravuso	PAO Intelligence

The Ministry during this reporting period continue to ensure promotion of equal employment opportunity with gender representation below:

WORKFORCE GENDER DISTRIBUTION



National Events

In terms of the coordination of National Events the Division had worked with relevant stakeholders in the facilitation of the two (2) national events which was the Fiji Day Celebration and the Remembrance Day commemoration.

Fiji Day Celebration

The 2018 Fiji Day celebration was successfully conducted, with the main celebration held at the Subrail Park, Labasa. This was also the first time for the main event to be celebrated in the Northern Division. The theme for the celebration was "Progressing Together, Leaving no Fijian Behind". The celebration saw the full military parade on the day and the Military tattoo in the evening. In ensuring that all Fijians celebrating the event, the Ministry also conducted home visitations taking the spirit of the celebration to the vulnerable.

Remembrance Day

The Remembrance Day was also a successful event throughout Fiji. The main commemoration event was held at the National War Memorial, Vuya Road, Suva.

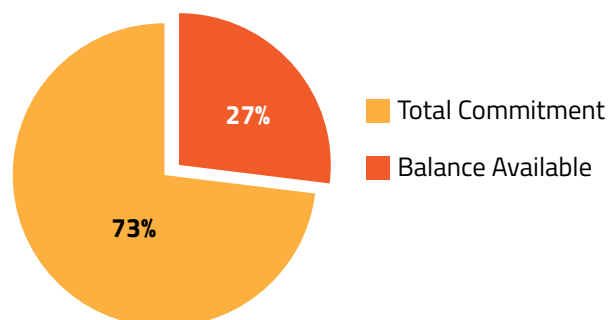
Finance

The Ministry was allocated a total budget of \$6,277,654 million. This budget was inclusive of the project as approved by the government in the Reform of the National Security Sector in the guidance of the National Security Defence Review (NSDR).

Additional to the above, the section continued to carry out its role in the monitoring and compliance of procedures to the financial regulations.

The utilization rate for the year was 73%.

BUDGET UTILISATION - FINANCIAL YEAR 01 AUGUST 2018 - 31 JULY 2019



MINISTRY OF DEFENCE, NATIONAL SECURITY AND POLICING



AUDITED FINANCIAL STATEMENT (AFS)

OFFICE OF THE AUDITOR-GENERAL

Promoting Public Sector Accountability and Sustainability Through Our Audits



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Suva, Fiji

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File: 379

10 November 2020

The Honourable Inia Seruiratu
Minister for Defence and National Security
Government Buildings
SUVA

Dear Honourable Seruiratu

MINISTRY OF DEFENCE AND NATIONAL SECURITY
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

The audited financial statements for the Ministry of Defence and National Security for the year ended 31 July 2019 together with my audit report on them are enclosed.

Particulars of the errors and omission arising from the audit have been forwarded to the management of the Ministry for necessary action.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Manasa Lesuma, The Permanent Secretary, Ministry of Defence and National Security

Encl.

MINISTRY OF DEFENCE AND NATIONAL SECURITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

MINISTRY OF DEFENCE AND NATIONAL SECURITY**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

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OFFICE OF THE AUDITOR-GENERAL

Promoting Public Sector Accountability and Sustainability Through Our Audits



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Website: www.oag.gov.fj



INDEPENDENT AUDITOR'S REPORT

To the Minister for Defence and National Security

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Ministry of Defence and National Security, which comprise the Statement of Receipts and Expenditure, Appropriation Statement and Statement of Losses, for the financial year ended 31 July 2019, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ministry 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 my 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

I draw attention to Note 6 of the financial statements, which describes the actions taken by the Ministry in respect of review of the Security Industry Act 2010, engagement with stakeholders to address the increasing arrears of revenue and conduct of regular Security Industry Board meetings.

My opinion is not modified in respect of this matter.

Other Matters

1. Internal controls over procurement and payment processes and revenue were generally found to be weak. This is in respect of incorrect posting of value added tax, reimbursement revenue and accountable advance in the general ledger and the incorrect rate of license fees charged. These internal controls weakness if not addressed promptly, may result in material misstatements and possible financial losses in the future.
2. The Ministry does not have mechanisms in place to establish the total number of security companies operating in Fiji. Hence, the Ministry is unable to monitor the collection of the Security Industry License fees. The Ministry intends to improve through review of Security Industry Act 2010.

Responsibilities of the management and those charged with governance for financial statements

The management are responsible for the preparation of the financial statements in accordance with the Financial Management Act, Finance Instructions 2010 and the Finance (Amendment) Instructions 2016, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the Ministry's financial reporting process.

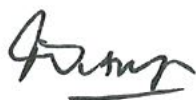
Auditor's Responsibilities for the Audit of the Financial Statements

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 judgement 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 the Ministry of Defence and National Security's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of Ministry of Defence and National Security.

I communicate with those charged with governance 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.



Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
10 November 2020

MINISTRY OF DEFENCE AND NATIONAL SECURITY

MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 JULY 2019

We certify that the financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Defence and National Security for the year ended 31 July 2019; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Finance Instructions 2010 and the Finance (Amendment) Instructions 2016.



Manasa Lesuma
**Permanent Secretary for Defence and
National Security**



Sera Mataele
Acting Senior Accounts Officer

Date: 22/10/2020

Date: 22/10/2020

MINISTRY OF DEFENCE AND NATIONAL SECURITY

STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2019

	Note	2019 \$	2018 \$
RECEIPTS			
Agency Revenue			
Security Industry Licence Fees	3 (a)	30,733	25,992
Total Agency Revenue		30,733	25,992
TOTAL REVENUE		30,733	25,992
EXPENDITURE			
Operating Expenditure			
Established Staff		935,489	984,612
Government Wage Earners		355,300	340,319
Travel & Communication		398,433	418,477
Maintenance & Operations	3 (b)	220,318	273,679
Purchase of Goods & Services		314,949	293,286
Operating Grants and Transfers	3 (c)	83,393	43,366
Special Expenditure		1,843,169	1,811,434
Total Operating Expenditure		4,151,051	4,165,173
Capital Expenditure			
Capital Construction	3 (d)	217,658	352,178
Total Capital Expenditure		217,658	352,178
Value Added Tax		223,184	255,484
TOTAL EXPENDITURE		4,591,893	4,772,835

MINISTRY OF DEFENCE AND NATIONAL SECURITY

**APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2019**

SEG	Item	Budget Estimate \$	Appropriation Changes \$ (Note 5)	Revised Estimate \$ a	Actual Expenditure \$ b	Carry - Over \$	Lapsed Appropriation \$ (a-b) (Note 4)
	Operating Expenditure						
1	Established Staff	1,423,330	(343,511)	1,079,819	935,489	-	144,330
2	Government Wage Earners	222,672	140,008	362,680	355,300	-	7,380
3	Travel & Communication	322,200	90,000	412,200	398,433	-	13,767
4	Maintenance & Operations	140,200	106,189	246,389	220,318	-	26,071
5	Purchase of Goods & Services	449,090	(34,000)	415,090	314,949	-	100,141
6	Operating Grants & Transfers	45,140	42,000	87,140	83,393	-	3,747
7	Special Expenditure	1,996,322	(686)	1,995,636	1,843,169	-	152,467
	Total Operating Expenditure	4,598,954	-	4,598,954	4,151,051	-	447,903
	Capital Expenditure						
8	Capital Construction	1,300,000	-	1,300,000	217,658	-	1,082,342
	Total Capital Expenditure	1,300,000	-	1,300,000	217,658	-	1,082,342
13	Value Added Tax	378,700	-	378,700	223,184	-	155,516
	TOTAL EXPENDITURE	6,277,654	-	6,277,654	4,591,893	-	1,685,761

MINISTRY OF DEFENCE AND NATIONAL SECURITY

STATEMENT OF LOSSES FOR THE YEAR ENDED 31 JULY 2019

Loss of Money

There was no loss of money recorded for the year ended 31 July 2019.

Loss of Revenue

There was no loss of revenue recorded for the year ended 31 July 2019.

Loss of Assets (other than money)

There was no loss of assets recorded for the year ended 31 July 2019.

The board of survey was conducted by the Ministry and the following items worth \$2,559 were recommended for write off:

Category	Amount (\$)
Office Equipment	250
Furniture and Fittings	2,309
Total	2,559

The Permanent Secretary for Economy approved the write off of the unserviceable assets reported in the board of survey report on 28th November 2019.

MINISTRY OF DEFENCE AND NATIONAL SECURITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

NOTE 1: REPORTING ENTITY

The Ministry of Defence and National Security is responsible for Fiji's national security, including the defence of the country's sovereignty and territorial integrity. The Ministry carries out this responsibility through the implementation of Fiji's National Security Strategy and by conducting policy oversight of two of Fiji's Disciplined Forces, the Republic of Fiji Military Forces (RFMF), and Fiji Police Force (FPF).

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with Government accounting policies, the financial statements of the Ministry of Defence and National Security is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act 2004, the requirements of Section 71 (1) of the Finance Instruction 2010 and the Finance (Amendment) Instructions 2016. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies.

(b) Accounting for Value Added Tax (VAT)

All expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Services (FRCS). Actual amount paid to FRCS during the year represent the difference between VAT output and VAT input.

(c) Comparative Figures

The financial year end for Government was changed from 31 December to 31 July in accordance with the Financial Management (Amendment) Act 2016.

The financial statements for the year ended 2018 and the financial statements for the year ended 2019 are both for a twelve months period.

(d) Revenue Recognition

Revenue is recognised when the Ministry receives actual cash for Security Industry Licence Fees.

MINISTRY OF DEFENCE AND NATIONAL SECURITY

NOTES TO THE FINANCIAL STATEMENTS (continued...)
FOR THE YEAR ENDED 31 JULY 2019

NOTE 3: SIGNIFICANT VARIATIONS

- (a) Security industry licence fees revenue increased by \$4,741 or 18% in 2019 compared to 2018. This was due to the increase in the number of security companies renewing their licences.
- (b) Maintenance and operation costs decreased by \$53,361 or 19% in 2019 compared to 2018. This was the result of reduction in cost of fuel consumption and maintenance of office equipment.
- (c) Purchase of goods and services expenditures decreased by \$40,027 or 92% in 2019 compared to 2018. This was due to the less number of trainings conducted, there was no air, sea and land surveillance awareness undertaken and decrease in Security Industry Board expenses incurred.
- (d) Capital construction costs decreased by \$134,520 or 38% in 2019 compared to 2018. The decrease is attributed to the less work done for the National War Memorial and Museum compared to the previous year.

NOTE 4: SIGNIFICANT SAVINGS

Significant Savings for the financial year ended 31 July 2019 are as follows:

Expenditure	Revised Budget (\$)	Actual Expenditure (\$)	Savings (\$)	Percentage Savings (%)
Established staff	1,079,819	935,489	144,330	13
Maintenance and operation	246,389	220,318	26,071	11
Purchase of goods and services	415,090	314,949	100,141	24
Capital Construction	1,300,000	217,658	1,082,342	83

- a) The savings in established staff is attributed to the vacant positions within the Ministry due to resignations of officers.
- b) The savings in maintenance and operation is due to the Ministry's monitoring of the use of vehicles where they managed to reduce the cost of fuel consumption and maintenances. There were also less repair and maintenance of air conditioning units.
- c) The savings in purchase of goods and services is the result of less number of trainings conducted, there was no air, sea and land surveillance awareness undertaken. The purchases for the Security Industry Board reduced due to the less number of meetings held and the printing and purchases of publications and office books decreased.
- d) The savings in capital construction is due to the delay in the progress of capital works for the National War Memorial project caused by adverse weather conditions and the difficulty in payment of performance bond by the contractors.

MINISTRY OF DEFENCE AND NATIONAL SECURITY

NOTES TO THE FINANCIAL STATEMENTS (continued...) FOR THE YEAR ENDED 31 JULY 2019

NOTE 5: DETAILS OF APPROPRIATION CHANGES

There was no redeployment of the Ministry's funds during the year. In 2018 – 2019, a total of 26 virements were processed as follows:

Virement #	From	To	Amount (\$)	Approval
DV0601	SEG 1	SEG 7	100,000.00	Permanent Secretary - DNS
DV0602	SEG 7	SEG 4	13,489.00	Permanent Secretary - DNS
DV0603	SEG 7	SEG 4	7,700.00	Permanent Secretary - DNS
DV0604	SEG 7	SEG 6	20,000.00	Permanent Secretary - DNS
DV0605	SEG 1	SEG 4	23,000.00	Permanent Secretary - DNS
DV0606	SEG 1	SEG 7	20,000.00	Permanent Secretary - DNS
DV0607	SEG 1	SEG 4	20,000.00	Permanent Secretary - DNS
DV0608	SEG 1	SEG 4	10,000.00	Permanent Secretary - DNS
DV0609	SEG 1	SEG 3	60,000.00	Permanent Secretary - DNS
DV0610	SEG 7	SEG 7	30,000.00	Permanent Secretary - DNS
DV0611	SEG 1	SEG 7	100,000.00	Permanent Secretary - DNS
DV0612	SEG 7	SEG 4	20,000.00	Permanent Secretary - DNS
DV0613	SEG 7	SEG 3	30,000.00	Permanent Secretary - DNS
DV0614	SEG 5	SEG 4	2,000.00	Permanent Secretary - DNS
DV0615	SEG 7	SEG 7	17,735.33	Permanent Secretary - DNS
DV0616	SEG 5	SEG 4	10,000.00	Permanent Secretary - DNS
DV0617	SEG 5	SEG 6	22,000.00	Permanent Secretary - DNS
V06001	SEG 1	SEG 1	3,284.00	Permanent Secretary - Economy
V06002	SEG 1	SEG 1	7,514.00	Permanent Secretary - Economy
V06003	SEG 7	SEG 2	44,096.00	Permanent Secretary - Economy
V06004	SEG 7	SEG 2	11,014.00	Permanent Secretary - Economy
V06005	SEG 7	SEG 2	39,104.00	Permanent Secretary - Economy
V06006	SEG 7	SEG 2	35,283.00	Permanent Secretary - Economy
V06007	SEG 1	SEG 2	9,855.36	Permanent Secretary - Economy
V06008	SEG 1	SEG 2	359.62	Permanent Secretary - Economy
V06009	SEG 1	SEG 2	295.69	Permanent Secretary - Economy

MINISTRY OF DEFENCE AND NATIONAL SECURITY

NOTES TO THE FINANCIAL STATEMENTS (continued...) FOR THE YEAR ENDED 31 JULY 2019

NOTE 6: ENFORCEMENT OF THE SECURITY INDUSTRY ACT

The Security Division has been assessing and identifying gaps in the Security Industry Act systems and processes which have now been put forward for review to further improve the implementation of the Act. The improvement includes the review of the Security Industry Act 2010, the formulation of the Security Industry (Enforcement) Regulation and the review of the Security Industry Standard Operating Procedures (SOP). The review of the Security Industry Act is a requirement under the Act to ensure consistency in its provisions. This review has been pending since 2015 and will be looking at strengthening the enforcement provisions. This will then give the Ministry the power to enforce compliance of Security Industry. This review is expected to be completed by the end of 2020 - 2021 financial year.

Additionally, the Division has reviewed its licensing processes to ensure accurate fees are being charged for services rendered. The review has led to the inclusion of two verification stages before receipting is done for security license fees earned. The Security Division has, since, been charging the correct fees and is currently liaising with Security companies that were undercharged, on the updating of payments for the balances of Security license fees due.

In terms of arrears of revenue, the Security Industry Board (SIB) has scheduled meetings with Security companies to discuss issues on arrears of revenue and way forward in avoiding pending payments of security license fees. The Ministry has also identified external factors that affect the licensing process and has commenced with its engagement with the Ministry of Employment on how these could be improved.

With the appointment of the SIB members in 2019, the SIB Secretariat had managed to schedule the SIB meetings; one (1) in 2019 and currently two (2) meetings in 2020. In ensuring consistency in practices, the SIB has agreed that the SIB meetings be conducted on a quarterly basis.

ACRONYMS

AO	Administrative Officer
ATT	Arms Trade Treaty
AUSD	Australian Dollar
BWC	Biological Weapons Convention
CWC	Chemical Weapons Convention
DCP	Defence Cooperation Program
GWE	Government Wage Earners
MDNS	Ministry of Defence and National Security
MOU	Memorandum of Understanding
NSDR	National Security Defence Review
NSS	National Security Strategy
NICC	National Integrated Coordination Centre
OHS	Occupational Health and Safety
OPCW	Organization for the Prohibition of Chemical Weapons
RFN	Republic of Fiji Navy
RCC	Rescue Coordination Centre
PAO	Principal Administrative Officer
SAO	Senior Administrative Officer
SAR	Search and Rescue
SEA	Sexual Exploitation and Abuse
TRCO	Temporary Relieving Clerical Officer
UN	United Nations
US	United States

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal blue lines across its entire width. The lines are thin and consistent in color, set against a plain white background. There are no margins, text, or other markings present on the page.

