

## STANDING COMMITTEE ON ECONOMIC AFFAIRS

# Review Report of the Ministry of Industry, Trade and Tourism 2018-2019 Annual Report



PARLIAMENT OF THE REPUBLIC OF FIJI Parliamentary Paper No.82 of 2023

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#### Chairperson's Foreword

The Standing Committee on Economic Affairs is pleased to submit to Parliament the Review Report of the Ministry of Industry, Trade and Tourism 2018-2019 Annual Report.

The Ministry represents some of Fiji's most important sectors that impacts the socio-economic development. Tourism industry contributes significantly to Fiji's Economy as the Country's largest foreign exchange earner. The Committee was informed of the importance of the International Visitors Survey to improve services.

Furthermore, the Committee noted the significance of the impact of Cruise Tourism and the need to engage with municipal councils and other stakeholders to improve and market their unique cultural activities in the different centers and geographic locations in Fiji.

The Committee in its deliberation identified the Ministry's achievements in the implementation of their Activities, however these were not reported against their set targets.

The Committee noted the significance of Micro Small and Medium Enterprises, and strongly recommends that MSME Fiji needs to engage with all stakeholders to further develop the sector. In addition, the Committee received contributions from Fiji Development Bank, Ministry of Agriculture, Business Assistance Fiji and Fiji Crop and Livestock Council.

The Committee commends the Ministry on the launch of the bizFiji portal and looks forward on a positive result on future Annual Reports.

I would like to take this opportunity to extend our appreciation to the Permanent Secretary of Trade and his team and the many entities that appeared before the Committee, for being prompt in responding to our queries.

Finally, I would like to thank our Committee Members who were part of the team that produced this report: - Deputy Chairperson Hon. Sashi Kiran, Hon. Tomasi Tunabuna, Hon. Premila Kumar and Hon. Semi Koroilavesau.

On behalf of the Standing Committee on Economic Affairs, I submit the Review Report of the Ministry of Industry Trade and Tourism 2018-2019 Annual Report to Parliament.

Chairperson – Hon. Sakiusa Tubuna

## **Committee Membership**



(Government and Chairperson of the Standing on Economic Affairs)



(Government and Deputy Chairperson)



(Opposition Member)



(Government Member)



(Opposition Member)

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#### 1.0 Introduction

The Standing Committee on Economic Affairs was referred the Ministry of Industry Trade, and Tourism 2018/2019 Annual Report on 29 July 2022, pursuant to the Standing Order 38(2) of the Standing Orders of the Parliament of the Republic of Fiji. The Committee was mandated to review the Annual Report and table its findings back to Parliament.

#### 1.1 Background

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

The MITT is responsible for formulating and implementing policies and strategies to facilitate growth in industry, investment, trade, tourism, co-operative businesses, micro and small enterprises, and enhance metrology, standards and consumer protection.

MITT has various Units within its Ministry that play critical roles in accomplishing the mandate of the Ministry including Economic Unit, Trade Unit, Tourism Unit, Department of National Trade Measurement and Standards, Department of Co-operative Business, Human Resource Unit, Integrated Human Resources Development Programme and Finance Unit.

Furthermore, the Trade Commissions in countries such as Australia, China, New Zealand, Papua New Guinea, and the North Americas undertake key activities in promoting Fiji in terms of trade, investment, and tourism in host countries.

#### **Committee Remit**

Section 109(2) (a) the Standing Committee is responsible to look into matters related to economic development, finance, banking, and taxation.

#### 1.2 Procedure and Programme

The Committee began its review of the Annual Report on 9 May 2023. The review process adopted by the Committee was agreed upon through consensus by the Members to review the report and a summary of this is as follows.

The Committee read through the Annual Reports and had discussions on matters that were noted by individual Members. From these discussions, a variety of issues were identified, which the Committee resolved and sought clarifications.

The Committee received submission and briefings from the following Entities.

- Consumer Council Fiji
- Investment Fiji
- Food Unit
- PS Trade Micro Small and Medium Enterprises

At the conclusion of the review, the Committee put forth recommendations based on the discussions with stakeholders and from the content of the Annual report.

#### 2.0 Findings and Recommendations

- 1. The Committee noted in the report the continued work of the establishment of Micro, Small and Medium Enterprises (MSMEs) or known as MSME Fiji. The Committee has identified the different MSME's programmes provided by the various ministries and government statutory entities and the duplication of work, the committee recommends that MSME Fiji be made a statutory organization to be a focal point for administering all government grants and work in collaboration with Business Assistance Fiji (BAF). Furthermore the Committee noted the need to market MSME Fiji aggressively to the wider MSME stakeholders.
- 2. The Committee noted the importance of strengthening Standards development, implementation and monitoring for Trade promotion and Consumer Protection. The Committee recommends that the Standards Unit to become a statutory entity, that work with various other ministries to assess and inspect goods being imported to Fiji are safe and of high quality.
- 3. The Committee noted that the Annual Report clearly outlines the achievements of the various units of the Ministry, The Committee recommends for future reports to have their achievements assessed against their KPIs.
- 4. The Committee noted that the achievements of Fiji's Trade Commissions were not reflected on the report. The Committee recommends that the Trade Commissions achievements be noted against their KPIs.
- 5. The Committee noted the success of the Northern Development Programme, the committee recommends that the Ministry explore other divisions in Fiji to replicate this programme.
- 6. The Committee commends the Ministry for attaining an unqualified audit opinion as provided by the Office Auditor General.
- The Committee noted the inadequacy of human resources to adequately deliver the Ministry's mandate. The Committee highly recommends that the Ministry be provided with sufficient resources.

#### 3.0 Sustainable Development Goals

MINISTRY OF INDUSTRY, TRADE AND TOURISM 2018-2019 ANNUAL REPORT SDG SUPPLEMENT

#### INTRODUCTION

As a responsible organization, the Ministry of Industry, Trade and Tourism (Ministry), through its initiatives and programmes, continues to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs) that Fiji has committed to.

The Ministry, for the period under review 2018 to 2019, contributed to the achievement of several of the SGDs that Fiji has committed to. These SDGs form a very important part of policy making at the Ministry. It links the micro-level policies, strategies, and initiatives to the macro-level vision.

Through the programmes under the Ministry, underpinned by the 5-Year and 20-Year National Development Plan, we have adopted a multi-sectoral, bottom-up approach to develop creative, sustainable solutions.

The Ministry aspires to create a fair and inclusive society – one where Fijians of all backgrounds have equal access to opportunities, where the vulnerable are uplifted, and everyone can look to the future with optimism.

To achieve this, we seek to create the conditions for socio-economic growth and opportunity, thereby empowering Fijians to improve their lives. Complementing this is a plethora of community-led initiatives that aim to support grassroots communities.

In essence, our approach is to foster a culture of equitable growth and prosperity and that our actions not only improve the socio-economic circumstances but protect the natural and cultural environment.

For example, initiatives such as Micro and Small Business Grant, Co-operative formation and training, Integrated Human Resource Development Programme, National Export Strategy, are contributing to the elimination of poverty (SDG1), quality education (SDG4), promoting gender equality (SDG5), decent work and economic growth (SDG8), reducing inequality (SDG10) and partnerships for the goals (SDG17).

The Special Economic Zone and Young Entrepreneurship Scheme, amongst other SDGs, contributes to SDG9 (Industry, Innovation, and Infrastructure) and SDG13 (Climate Action), as these focus on new and emerging sectors, ITC development, opportunities in green energy and manufacturing and research and development. By engaging in trade negotiations and promoting Fijian Made and Fijian Grown products in regional and international markets, the Ministry is

creating economic activity, employment, and diversifying the economic base. Through these activities, we are contributing to SDGs 1, 5, 8 and 9.

A more detail analysis of the Ministries achievement on the SDG's is in the annexure of this report.

#### 4.0 Conclusion

The Committee is satisfied with the Annual Report during the period of review. However, we note that there are areas that can be improved through more enhanced coordination, commitment, and accountability of all stakeholders.

## Members Signature

No.

Hon. Sakiusa Tubuna (Chairperson)

Hon. Sashi Kiran (Deputy Chairperson)

Hon. Tomasi Tunabuna (Member)

Hon. Premila Kumar (Member)

Hon. Semi Koroilavesau (Member)

# **ANNEURES**

#### **MITT QUESTIONS 2018-2019 ANNUAL REPORT**

#### Introduction

Bula Vinaka and thank you Hon. Chair and Hon. Members for allowing the Ministry to present on its annual report for the 2018-2019 Financial Year.

Hon. Chair and Hon. Members before we go into the questions provided to the Ministry, we would like to provide an overview of the Ministry, the vision and Mission and highlight some key achievements of the Ministry for the 2018-2019 Financial Year.

#### Overview

The Ministry of Industry, Trade and Tourism is responsible for the formulation and implementation of policies and strategies that facilitates growth in industry, trade, tourism, co-operative business, micro and small enterprises, and enhances consumer protection through metrology and standards.

This work is undertaken by the following Departments, Units and Trade Commissions

- 1. Economic Unit,
- 2. Trade Unit,
- 3. Tourism Unit.
- 4. Department of National Trade Measurement and Standards,
- 5. Department of Co-operative Business.
- 6. Trade Commissions in North Americas, China, Australia, New Zealand and Papua NewGuinea.
- 7. Human Resources Unit and Finance Unit,

#### Vision and Mission of the Ministry

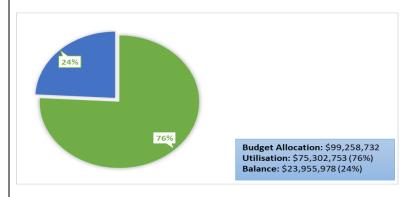
Vision - "Brighter Economic Future for All"

Mission - "Creating sustainable growth of commerce and industry through innovative and sound policies that lead to improved livelihoods for all Fijians"

#### 2018-2019 Audited Financial Statement

- The Office of Auditor General had performed an audit of the 2018-2019 Agency Financial Statement and provided an unqualified audit opinion.
- The auditor had obtained sufficient evidence to form the basis of the unqualified audit opinion.

#### **Budget Allocation and Utilisation 2018-2019**



#### **KEY HIGHLIGHTS**

#### **DEPARTMENT OF CO-OPERATIVE BUSINESS**

The Department of Co-operative Business continued promoting the co-operative business model and devised strategies that co-operatives remained operational and sustainable. Some highlights include:

- 40 new co-operatives were registered, whilst 3 existing co-operatives diversified into new fields of activities.
- Over 26 training sessions were held for Financial Literacy, Start Your Business, Co-operative Management and Leadership. Nine hundred and ten co-operatives were part of these training.

#### **MSME FIJI**

The MSME Fiji was established in the 2019/2020 financial year and a number of grant programmes were undertaken by the Economic Unit. MSME Fiji Unit conducts monitoring and evaluation on businesses that have been awarded with the respective grants which are stipulated in the specific grant agreement. During monitoring exercises, officers also provide business advisory services to ensure that the businesses grow and support sustainable livelihood.

#### Young Entrepreneurship Scheme (YES)

- The YES initiative was launched in January 2018, to stimulate and encourage young fijians to become job creators rather than job seekers.
- In the 2018/2019 financial year the following 4 business proposals were approved for funding:
  - Traffic Essentials Fiji Mr Krishneel Chand was approved \$20,000 which provided specialist traffic related services that served as solutions to mitigate effects of traffic congestion.
  - Smart Farms Fiji Mr Rinesh Sharma was approved \$30,000 for provision of an automated hydroponic farming business.
  - Singh Physiotherapy Clinic Mr Ruben Singh was approved \$30,000 for provision of a Specialized Neuro-rehab Facility which also provides Shockwave therapy and Hydrotherapy relieving muscle tension.
  - Lion GIS Services Mr Leo Williams Vanualailai was approved \$30,000 for aerial mapping and Geographic Information System (GIS).

#### National Export Strategy (NES)

- The NES was launched in 2006 to stimulate the country's trade by encouraging exports, competitiveness, value addition and diversification.
- In the 2018/2019 financial year the following 5 business proposals were approved for funding:
  - Bula Batiki Association was approved funding amounting to \$96,866 to purchase Building Materials, Solar Panels, Training, Research and Development and Architect design;
  - Civa (Fiji) Pearls Ltd was approved funding amounting to \$84,679 to purchase 60hp & 20hp Outboard Engine, F23D Standard Fiberglass Boat, 50 Spat Collector lines: Pocket Net 1.4 SUN (8 pocket for Reseed) - 500 pcs and Pocket Net 8BU (5 stage for Nursery);
  - Tropical Aquarium Fiji Limited was approved funding amounting to \$266,667 to construct of

Warehouse and processing facility;

- Zonah United was approved funding amounting to \$85,879 to purchase Customised Foton Aumark Truck - 2 Ton with Tray & Dry Box, Grinding Machine, Single Head linear Type Auger Filler, Convey Feeder & Single Head Screw Capping Machine and Round Bottle Labelling Machine with Printer & Transparent Sensor; and
- Paper Source South Pacific was approved funding amounting to \$70,194.34 to Automatic High Speed Industrial Roll Slitting Rewinder machine.

#### Micro and Small Business Grant (MSBG)

- The MSBG programme was initiated in 2015 and was jointly administered by the Ministry and Fiji
  Development Bank in efforts of providing necessary funding for existing and start up micro and small
  businesses.
- In the 2018/2019 financial year, grant funding amounting to \$14,112,951 was provided to 14,249 recipients that were from a wide range of sectors that included Agriculture, Wholesale and Retail, Manufacturing, Services, Food and Hospitality, Construction and Fisheries.
- Financial Literacy Training was conducted for 1,668 recipients.

#### Integrated Human Resources Development Programme (IHRDP)

- The programme was established in the year 2000 following the International Labour Organisation's (ILO) model of community-based income generating projects in rural and peri-urban areas.
- In the 2018/2019 financial year, funding amounting \$190,688 was disbursed for the following projects:
  - Cakaudrove I Vanua Beekeeping \$66,504 for Apiculture project which included purchase of bee keeping materials and training
  - Koro Farmers and Fisherman Co-operative Limited \$54,184 for Fishing project which included purchase of Fiberglass and Engine
  - Lautoka Vegetable and Farmers Co-operative Limited \$70,000 for Agriculture project which included Farming Implements, Collection Centre and Borehole.

#### **ECONOMIC UNIT**

#### Standardised Roadside Stalls

- The roadside stall initiative was introduced to promote MSMEs and empower the grassroots communities by providing better facilities to market their produce.
- Since inception, the Ministry has constructed 103 stalls along the main highways, in villages and other locations outside of municipal boundaries of which 32 located in the Central Division, 52 in Western Division and 19 in Northern Division
- The roadside stalls have directly supported the livelihoods of approximately 1,300 people of which 56% are women.
- The roadside stalls have been built to Category 5 standards.
- The Ministry is also undertaking a Public Private partnership approach to provide roadside stalls to vendors, subject to meeting the necessary conditions stipulated by regulatory agencies such as Fiji Roads Authority. For instance, the Government of India had funded the construction of one stall in Nananu, Tailevu.

#### **TRADE**

- Implementation of Fijian Trade Policy Framework through the following Policy implementation:
  - Development and approval of the Investment Policy Statement and review of the Foreign Investment Act began in 2019.
  - Competition Policy endorsed and work on review of Competition and Consumer Act began.
  - o Implementation of WTO Trade Facilitation Agreement.
  - o Implementation of Fijian Tourism (Plan) 2021.
- UK-Pacific Economic Partnership Agreement finalised in May 2019.
- Initiation of talks with China and Indonesia on possible preferential trade agreements.
- First trade and investment mission to Fiji from New Caledonia.
- Improvement of rule of origin for Pacific trade through the review of the PICTA ROO.
- launch of bizFIJI portal in July 2019 to facilitate improvement of doing business in Fiji.

#### **TOURISM**

- In the 2018-2019 financial year, Fiji received 895,137 visitors, a 4% increase from the previous financial year.
- Creating synergies between tourism and agriculture through the launch of the "From the Farm to the Tourist's Table" and initiatives such as the Chefs' training to encourage use of local produce.
- Promoting Fiji as a premier sports tourism destination.
- Successful modernisation and rollout of International Visitors Survey.
- Eighty-eight frontline staff trained as Fijian Hosts.
- Encouraging community-based tourism and empowering MSMEs.

#### **DNTMS**

- Development of guidelines for strengthening single storey houses and schools in rural areas and villages.
- Inspection of 1,384 traders for verification and certification of weighing and measuring instruments.
- Over 3,700 instruments verified and certified or which 57 was rejected. These instruments include scales, drive flow meter, energy meter, water meter, weighbridge, parking meter, steel ruler, gantry, breathalyser, speed camera, radar guns

QUESTION	RESPONSE
The Ministry and the IFC initiated a study titled "Assessment of the Economic Impact of Cruise Tourism in Fiji". Provide an update on the implementation of the recommendations made in this report.	The Assessment of the Economic Impact of Cruise Tourism in Fiji was launched in partnership with the International Finance Corporation with the support of the Government of Australia. It quantifies the impact of current cruise visits to the Economy by assessing the potential direct and indirect impact of the cruise sector, and investments required to support its growth in Fiji.  While opening of borders for cruise ships was approved in June 2022, a number of initiatives have been undertaken. This includes:  1. Establishment of a Cruise Committee. The Committee includes stakeholders such as the Department of Tourism, Fiji Ports Corporation, City Councils, Tourism Fiji and the Tourist Police to coordinate cruise activities.  2. Support of smaller tour operators serving the cruise market. For example, the Department of Tourism in October facilitated a First Aid Training course for close to 20 tour guides.  3. Development of Code of Conduct. The Department of Tourism, following Cabinet endorsement, initiated work on the Fiji Code of Conduct for Tourism Operators — the first national tourism guideline for Fiji to advocate higher standards of service for tourism operators when engaging with clients, other businesses, and host communities.  4. Inaugural Fiji Tourism Cruise Symposium. Along the margins of the Fijian Tourism Expo, Fiji successfully held the Fiji Tourism Cruise Symposium, led by Tourism Expo, Fiji successfully held the Fiji Tourism Cruise Symposium, together with the MSME Fiji and other Government agencies continue to create awareness on income-generation opportunities such as the cruise market for nearby communities and villages.  6. National Sustainable Tourism Framework. With the Department of Tourism currently leading the NSTF, Fiji's new tourism sector strategy, a number of focus groups and public private dialogues have been held, including on cruise tourism. A webinar on cruise market growth recently held is also publicly available.
2. Which policies are in place to protect Fiji Made products against overseas products which are cheap and of inferior quality? And how are these policies monitored?	The purpose of the Industry Emblem Act (Act) does not protect Fijian Made products against products that are cheap and of inferior quality.  The Act through the Fijian Made – Buy Fijian Brand ('Brand') is a national brand that profiles Fijian Made products, through strategic marketing. Fijian Made emblem is protected firstly by the Industry Emblem Act.  The Act protects the use of the logos/emblems by unauthorised persons  Additionally, imported products are cheaper, because they have economies of scale. Fiji has smaller production and focus on niche products, that is what we use as a marketing tool.
	It should be noted that it does not develop policies that protect Fiji Made against overseas products, but ensure that the products that are registered under the Brand are compliant with the Government regulatory bodies in Fiji such as Ministry of Health and Medical Services and the Ministry's Department of National Trade Measurement and Standards with the concurrence of Fiji Revenue and Customs

	Services and Consumer Council of Fiji.
3. Explain why there are restrictions on local products entering the USA market under the name of "Fiji".	It is to be noted that there is no restriction by the Fiji Government for the use of the word "Fiji" in the US market.  However, Natural Waters has registered "Fiji" as a trademark in the United States. And this gives them the right to protect their brand.  The US laws have given strong protection to the trademark holder and the objection can only be made when the next renewal of the trademark is done.  The Ministry is working with the Trade Commission in North America and the Natural Waters to find a way forward. In this regard, the Ministry has had several meetings with the Natural Waters as well.
4. Why is the approval rate so low for the YES Scheme despite the reevaluated qualifying criteria by the Ministry? It is noted that out of the 174, only 4 were approved.	The Young Entrepreneurship Scheme ('YES') programme was established as an important initiative to support and foster young business entrepreneurs that have innovative and unique ideas. It is aimed to harness the talents of entrepreneurs and essentially become 'job creators' rather than job seekers. The projects are also assessed for sustainability.  Professionals and industry captains from the private sector, with significant experience and business acumen, have partnered with the Fiji Government to steer this initiative. The YES Selection Panel, in addition to assessing applications, provides mentoring and assistance in training young entrepreneurs.  In fact, we just had a YES Panel meeting yesterday and it was agreed to relook at revamping the programme and improve its visibility to the target audience.  Of the total 174 applications in 2018/2019, 170 were not approved due to the following:  • Despite changing the age criteria to 18 – 40 years old, some applicants were above 40 years old;  • Insufficient information provided and did not respond to Ministry's clarifications;  • There economic impact and viability of the project proposed were significantly low; and  • Most importantly, the business proposals received such as poultry farm extension under agriculture, starting canteen business under retail and wholesale and opening up a garage or having a taxi business — these projects did not display innovation and uniqueness in business proposals.  • Uniqueness Definition – is something that will make a business to be the only one of its kind of business. The unique business idea is something that will increase the potential energy of a business whereas innovation involves developing new products or improving existing technologies, processes, designs and marketing to solve problems, increase efficiency, reach new customers, and ultimately increase profits. It simply means being ahead of the current way of thinking.

- 5. Page 20 Micro and Small Business Grant (MSBG) A total of 2,390 micro and small businesses were monitored under MSBG. At the time of monitoring, it was reported that 75% of recipients were successfully operating. Please provide response to the following:
  - a) Constraints/challenges faced by the other 25% of recipients that did not succeed.
  - b) Which type of business was more successful and why.
  - c) List the type of business that did not succeed and why?
  - d) Elaborate on the criteria used for determining the sample for the Assessment Exercise of MSBG.
  - e) What lessons have you learned from this Grant Scheme which you will not repeat if there is similar assistance offered again?

The Micro and Small Business Grant ('MSBG') was initiated in 2015 to build a robust and resilient economy by assisting the micro and small businesses, who were inspired to start a business or had an existing business but needed a boost to keep the business going, were able to apply for up to \$1,000 in grants.

The Ministry noted that through this grant support, alot of MSMEs launched their entrepreneurial journey and were able to grow their business.

Constraints/challenges faced by the other 25% of recipients that did not succeed.

With regards to the unsuccessful rate of 25% encompasses 603 micro businesses - This may be due to high competition, decline in the demand for the product and lack of business acumen, death, migration, misuse of funds, theft etc.

Which type of business was more successful and why.

It was noted that those businesses that were already established and registered – did well when monitoring as compared to the newly registered businesses – this included agriculture, construction business, tailoring businesses, food selling business, to name a few.

The COVID-19 pandemic has had a further adverse impact on these recipients and on MSMEs in general.

#### List the type of businesses that did not succeed and why?

Businesses that sought funding for startup purposes without relevant business experience did not fare well – **mostly**, **this included canteens** – as once stock had finished there was no proper method in place for restocking and continuous sales.

Further it was noted - many start-up businesses from the agriculture sector and wholesale and retail sector did not utilise the funds for the intended purpose of the grant.

There were some recipients that colluded with the vendors as well. [In terms of remedy, vendors and recipients were blacklisted. The Ministry used FDB as a backstop to not release funds if the items purchased did not match the initial quotation.]

Elaborate on the criteria used for determining the sample for the Assessment Exercise of MSBG.

The sample size was based on geographical location, sector analysis and availability of resources (staffing and budget).

Currently, the Ministry is using the elimination method in which recipients are called and those businesses that are open are scheduled for a site inspection while the ones closed are eliminated from the pool used to plan for the next financial year.

What lessons have you learned from this Grant Scheme which you will not repeat if there is similar assistance offered again?

- Grant support should be rendered to registered business and advocacy on formalising informal business structure - the Ministry currently is doing this through Integrated Human Resources Development Programme assistance whereby approved groups are formalised into a co-operative business before funding is provided.
- 2. Funding of Capital Items and not working capital or operational cost (working capital such as stock to be considered on a case by case basis).
- Continue the practice of Cash/Cheque not to be provided directly to the recipients - items to be purchased as per approval and disbursed to recipients.
- 4. Entering into contractual agreements with the recipients themselves and setting out obligations of the grant and monitoring period.
- 5. Business Training for recipients prior and post funding is essential.
- 6. Hand Holding period to be introduced for the first 3 months of receiving the funding.
- 7. Quarterly monitoring exercise for the for first 3 years of funding

The MSBG initiative came to an end in the 2018-2019 financial year. However, the Government strongly believes that micro and small businesses that have shown progress should be given another boost to take their business to the next level.

6. We note the staff development program is in place. Maximum training was provided to the staff of DNTMS. Despite this training, this Department has not developed the critical standards needed to protect consumers and businesses. Explain why?

Training of staff is to build capacity, whilst standards development for products and services is based on the market needs.

It is important to have qualified staff that are able to respond to the relevant consumer protection and standards needs.

Standards development is a demand driven process and responds to the needs of the market, specific sector, industry or for the safety of users. The process starts with a stakeholder (whether Government or Private Sector) making a formal request.

All standards protect consumers - for example, there are building and construction standards, and these standards give consumers confidence in the construction industry, providing reassurance that buildings and related structures are built to internationally agreed safety and quality standards.

All standards are proposed to be adopted because of the important value each standard holds for consumers, regulators and the industry.

2018 - 2019 Standards publications

It is important to note that the Department adopted and published the following standards during this reporting period -

 FS 12:2018 Roof Sarking Foil standard - this standard sets out the minimum technical specifications, labelling requirements and test methods for roof sarking foils used in domestic, commercial and industrial buildings.

In 2016, after Tropical Cyclone Winston, the need to review standards for building and construction materials had increased. The sheet roof and wall cladding material failed to withstand strong wind speed given Fiji's cyclonic region.

As such the review of the Fijian Standard for sheet roof and wall cladding was undertaken. The Standard covers the grade of steel to be used, coating class, and minimum specifications sheet roof and wall cladding material that meet the minimum wind force for cyclonic conditions in Fiji which is also linked to the substructure and fixing schedule.

Trade Standards (Fuel Standard) (Amendment) Order 2018 — This standard is an amendment of the original Fuel Standard, where the Sulphur content of unleaded petrol and diesel moved from 500 ppm to 10 ppm (from Euro 2 Euro 5) showing a lower content of Sulphur fuel.

Moreover, the building and construction sector standards are a national priority due to Fiji's position in advocating climate change mitigation and adaptation factors, and promoting Sustainable Development Goals as a nation.

Also, because of Fiji's geographical location we have an extended tropical cyclone season, from November to April every year. The need to build stronger and resilient structures and buildings cannot be re-emphasised enough.

In the same reporting year, the Department also handled ongoing standardisation projects such as -

- FS AS/NZS 4671 Steel Reinforcing Materials standard
- FS AS 1397 Coating Requirements for Steel Coils
- Trade Standards (Household Electrical Refrigerating Appliances) (Amendment) Order 2018
- Trade Standards and Quality Control (Television Standard) Order
- Initiated new Standards Project on the Wind Loads Standards (created Fiji version of wind loads standards based on AS/NZS 1170.2 and AS 4055).
- Guidelines for improving building safety and resilience of new single storey houses and schools in rural areas
- Page 17 states that 105 awareness sessions were conducted.

Where were these sessions conducted, how many members of the cooperatives attended and what were the topics for

During awareness, the following topics are covered:

- What is a co-operative and how it operates?
- Formation of a co-operative
- Benefits of forming a co-operative
- Rights and duties of co-operative members
- Governance structure
- Share contribution of members
- Distribution of dividends

# this awareness session and **how was the impact** assessed?

- Proposed By-laws
- Registration process
- Post registration compliance
- Training opportunities

The breakdown of the sessions conducted in the 2018/19 period are summarised below:

Division	No. of awareness	No. of attendees
Western	42	665
Northern	34	159
Central/ Eastern	29	256
Total	105	1,080

From the awareness sessions conducted, a total of **40 groups were registered** as a co-operative business

# 8. How many Cooperatives were actively operating in 2017/18 and 2018/19, and how many cooperatives folded up?

The breakdown of operating co-operatives during the financial periods are tabulated below

Year	Operating Co-operatives	Folded Up (Liquidated)
2017/18	331	NIL
2018/19	371	NIL

In the 2017/18 financial year, a total of 331 co-operatives were actively operating which includes 42 co-operatives newly registered. Of the newly registered co-operatives, 62% (25 co-operatives) were registered under the **Administrative and Support sector**, which were mostly sugarcane farmers from the Western and Northern Divisions.

Similarly, in the 2018/19 financial period, a total of 371 co-operatives were operating with 40 co-operatives newly registered of which 45% (18 co-operatives) were newly registered businesses involved in the Administrative and Support sector.

The increase in co-operative registrations in the administrative and support sector for the two periods was attributed to the assistance provided by the Government to cane farmers for the purchase of cane harvesters and tractors for farm mechanisation.

During the 2017/18 and 2018/19 period, no co-operative was liquidated.

Is there any plan to review the current Cooperative Act? If The Department of Co-operative Business is currently working with the International Co-operative Alliance on amending the Co-operative Act 1996.

yes, please elaborate what needs to change or state what in the Act that needs to be reviewed in making it more effective.

The amendment is required to ensure that Co-operatives are in line with International Standards and practices.

Four of the major changes in the Act include but are not limited to:

Issue	Current Act	Rationale for Change
Submission of Audited accounts	All co-operatives are required to submit annual audited accounts to the Registrar of Co-operatives	Introduce a threshold based either on asset base or income for compulsory submission of audited accounts. Those below threshold to submit management accounts approved by the Board
Board Duties	Describes Board duties without any fiduciary duty	Amend Board of Director duties to introduce fiduciary duties as per Companies Act to hold them more accountable and aligned to recent laws
Membership	One criteria for membership is that members must be a resident or citizen of Fiji	Fiji citizens that reside outside of Fiji to maintain membership within their co-operative (Diaspora)
Maximum Liability	The or Director Registrar approves maximum liability of co-operatives	Remove the responsibility from the Registrar/Director as this is a commercial dealing between the co-operative and the financial institution

 Clearly explain the criteria used in deciding where to build stalls and who will receive these stalls under which conditions. The Standardised Roadside Stalls initiative aims to promote entrepreneurial culture through sustainable Micro, Small and Medium Enterprises. This is essential for providing market access, job creation, income generation, rural development, poverty alleviation and empowerment of youth and women.

Since inception, the Ministry has constructed 103 stalls along the main highways, in villages and other locations outside of municipal boundaries.

The roadside stalls have been built to withstand Category 5 tropical cyclones and the Fiji Government strives to improve the quality and standardise the structure of the roadside stalls.

By way of processes, for transparency purposes an EOI is widely advertised and the vendors submits an application to the Ministry to construct a stall at their proposed site.

When receiving an application, the below are the prerequisites which will followed by the determination of the site being suitable:

- A valid Business Registration Certificate from the Registrar of Companies.
- The vendor must conduct business at this location at least five days a week.
- The vendor must have been in operation for at least six months in that area.

- The stall's location must be on a **road reserve**, on **land owned by the applicant**, or within a village boundary.
- The stall location must be outside the municipal boundaries, along major highways.
- The vendor must be above 18 years old.

The general criteria of assessing the application are as follow:

- Location there must be 100 metres of visibility on both sides of the stall.
   Stalls are to be constructed 3 metres from the end of the road. The three-metre space between the road's end and the stall is reserved for vehicles stopping to purchase goods from the booths.
- **Zoning Requirements –** Permanent stalls cannot be constructed on road bends or in traffic hazard zones.

For certain locations to ensure the wider benefit to the community, Turaga-Ni-Koros are given the responsibility of the stalls.

Should the vendor meet all of the above criteria, a Lease Agreement will be signed with the Fiji Government to ensure that the stall constructed for the vendor is used accordingly.

11. What is the process and procedure to apply for the recruitment of skilled workers under the Skilled Professional Evaluation Committee (SPEC)? What are the criteria used to evaluate applicants?

The Skilled Professionals Evaluation Committee (SPEC), enabled by the Registration of Skilled Professionals Act (2016) has legislative powers to process applications expeditiously in sectors where Fiji needs skilled professionals.

The SPEC consists of the following members:

- (a) permanent secretary responsible for industry and trade, who is to be the chairperson:
- (b) permanent secretary responsible for civil service:
- (c) permanent secretary responsible for employment;
- (d) permanent secretary responsible for finance; and
- (e) Solicitor-General.

Part 3 of the Act allows individuals to make application in writing to the Committee for special registration for the following:

- 1. A permit to enter, reside and work, or work in Fiji; and
- 2. Registration or licensing or both, as the case may be, with the relevant professional body, if applicable.

The application must be complete and accompanied by a prescribed fee. Upon receipt of a complete application, the SPEC must within 28 days:

- 1. Assess the application, including any supporting documentation, and determine whether the individual is a skilled professional;
- 2. Determine whether it is in the public interest for the applicant to be employed in Fiji as a skilled professional; and
- 3. Approve or reject the application.

The assessment criteria includes:

- whether there is a shortage of that skill in Fiji.
- evidence that the position was advertised locally and was not able to get a qualified person.

- equivalence of the qualification with locally available training or that of other accepted countries.
- interview of the applicant by a qualified person in the field of work or in a similar field.
- background check Police clearance, Immigration checks and FIU checks.
- The application is submitted to SPEC to make a decision.

The Ministry's website has a detailed checklist and the application form. <a href="https://mcttt.gov.fj/division/trade/skilled-professional-evaluation-committee/">https://mcttt.gov.fj/division/trade/skilled-professional-evaluation-committee/</a>

12. The National Cooperative Federation Ltd was established.

The National Co-operative Federation was established to be the voice of co-operatives (Apex body) in Fiji.

Explain clearly how did Cooperatives in Fiji gain through this national body?

There was a grant allocation of \$10,000 provided to the NCF for the operationalisation of the body which included purchase of laptop, printer, stationary. An office space was also allocated to the NCF body.

The NCF elected its Board that included Hon Agni Deo Singh as the Chairperson, the late Hirday Larkhan as Treasurer and Mr Abbas Ali as Secretary. Its membership was growing and there were close to 40 co-operatives joined as members.

However, the work of NCF has been adversely impacted due to the COVID-19 pandemic and the Ministry is working with the Board on its revival.

13. On pg.17 of the report, there are 371
Cooperatives. Can the ministry provide breakdown on different types of cooperatives, (service based and resource-based cooperatives, landowner) the number of members of these cooperatives and the training provided to

them.

The breakdown of the 371 operating co-operatives are:

No	Sector	Total
1	Agriculture and Food Industry	61
2	Administrative and Support Services (hiring of machinery)	85
3	Wholesale and retail	136
4	Tourism	5
5	Investment	4
6	Real estate	26
7	Logging	3
8	Utilities	4
9	Banking and financial service	47
	Total	371

In the 2018/19 period, a total of **26 trainings were conducted to 910 participants** 

	through the Co-operatives College of Fiji. Training was conducted in the areas of Financial Literacy, Start Your Business, Co-operative Management and Leadership which provided the necessary skills to members to successfully operate their business.
14. How has bizFiji portal progressed and performed on page 27 of the report.	The Ministry launched the bizFiji portal in July 2019. The portal has the links to online applications, application forms, checklist and process maps on starting a business and obtaining construction permits processes.
	Since then the portal has evolved significantly, it was revamped and revitalised in 2022 and will be rebranded in 2023. A workshop on this will be conducted in the coming week.
	There is information available on more services, such as getting electricity, registering property and taxation.
	Most importantly there is a section specifically for MSMEs, on support and funding programmes, training, Fijian Made and resource information for MSMEs.
	The Ministry is working on further developing the portal into an online submission and approvals portal for starting a business and obtaining construction permits.
15. Online International Visitor Survey please explain	Diagnostic Review: In 2018, the Ministry engaged the International Finance Corporation to conduct a review of Fiji's current International Visitor Survey.
performance.	The review was completed in July 2018, which identified areas for improvement including enhancing accuracy, reliability, and timeliness of the published data. The review also made a series of recommendations for the continued modernisation of the IVS with an aim to improve data reliability for use by the Fiji Government and the private sector. One of the recommendations was to make the IVS available online.
	Modernized IVS: the Ministry with the support of the IFC, engaged an external firm to implement the IVS Online Mode, as per the review recommendation. The firm redeveloped the methodology of the Fiji IVS and implemented data collection, processing and analysis for the 2019 calendar year.
	• The new IVS is administered online with the existing Ministry enumerators collecting email addresses at the Nadi International Airport Departure lounge through a recruitment survey. The emails are then sent to the IVS questionnaire where visitors are given up to two weeks to respond. This replaces the old approach where the questions were responded to by departing visitors while they are at the Airport.
	The new IVS also includes a revised sampling by markets, updated questionnaire, revised data collection and analysis methodology. Concurrently, the Tourism Research Officers were trained to implement the new IVS.
16. Can the ministry update	Fiji-China Trade Agreement Discussions Update:
the Committee on Fiji China Trade Agreement and the signing of Pacer Plus?	A <b>Joint Feasibility Study</b> between Fiji and China was undertaken between 2017 and 2018. The purpose of this study was to take stock of Fiji's economic, technical, and legal considerations in order to ascertain a proposed Future Trade Arrangement between Fiji and China.

The feasibility study was completed in April 2018. It was tabled to the Cabinet in January 2020 and shared with the Chinese counterparts in July 2020. The Cabinet Decision was for the Ministry to revert with the finalised Joint Feasibility Study for further mandate on the way forward for negotiations. The Ministry notes that the feasibility study needs to be updated to take into account the impact of the pandemic over the lapse of time. Pacer Plus: For Fiji, PACER Plus was supposed to be a development-oriented agreement, which would assist Pacific countries, the small and vulnerable economies, to smoothly integrate into the regional and global trading system. While Fiji is not a party to the PACER Plus, it participated in the negotiations, therefore, it is crucial that we collectively renew discussions on this matter and evaluate the potential benefits of having Fiji in the pact. The Ministry believes that it is crucial to strike a balance between regional integration and safeguarding our local industries and promoting sustainable development. It is also important that by signing PACER Plus it does not curtail Fiji's ability to determine its own policies, regulations and trade relations. The Ministry recognises the importance of regional trade and the potential benefits that can be derived from closer economic ties with our neighbours. The Ministry welcomes the opportunity offered by Australia and New Zealand to reengage in discussions regarding PACER Plus, with a view to exploring alternative pathways for Fiji's involvement that align with our national goals and aspirations. The Ministry had challenges in filling the positions, as there was a continuous staff 17. Can the ministry turnover. explain why the positions were not Like with any other agencies, private sector and other Government Ministries, there filled in was high staff turnover due to staff seeking for better opportunities in regional, accordance with international organisations and the private sector. the Ministry's organisation structure? It is also important to note that the Ministry plays a technical role in terms of trade, standards, and metrology. This requires specific skills, knowledge and experience, which at times has been difficult to get, hence, leaving certain positions vacant. The staff shortage for the Human Resources Unit was addressed around March 2019 and thereafter, regular filling in of vacancies had commenced. The 1992 Trade Standards and Quality Control Act is currently being reviewed. The 18. Why did the <inistry not set review has also considered the NSB to become a statutory organisation in the up the National Standards future. Currently, the Standards Unit does not have a sales policy to sell standards body as a statutory and to generate revenue. organisation? The establishment of the Department as a NSB will depend on many factors - its

	governance arrangements, financing, human resources and functional organisation.		
	The Government would like to see that there is a long term sustainability of the NSB and ability to be financially independent.  These considerations need to be met before the NSB can become a statutory agency.		
19. How are Standards made and monitored?	Standards are developed through consensus approach and comments from stakeholders are taken into account. It takes a minimum of 11 months to develop. The standards development is initiated through project proposals from industry or stakeholders, which is considered by the Trade Standards Advisory Council based on the net benefit to Fiji community.		
	Then the Department develops a draft that meets a market need.		
	These technical committees negotiate all aspects of the standard, including its scope, key definitions and content. The technical committees consist of experts from the relevant industry, but also from consumer associations, academia, NGOs, regulators and government.		
	The voting process is involved to reach consensus. If consensus is achieved then the final standard is submitted to the cabinet for approval. Once the Standard is approved by the Cabinet, then it is published as Fijian standards.		
	DNTMS monitors mandatory standards such as fuel, bottled, steel coil, fireworks and steel reinforcing materials standards.		
	As part of its responsibilities, the Department monitors quality of products that are manufactured and imported in the Fiji market.		
	This is undertaken through market surveillance methodology and conformity assessment (third party or independent accredited laboratory) to demonstrate the compliance of the product against Standards.  The market surveillance methodology includes pre-market (at the border) and post-market (within Fiji) surveillance, which incorporates testing and inspection of the products before and after the product enters the Fijian market. This is globally accepted good practice, which enhances consumer protection and builds the trust of investors.		
	There are other ministries that also enforce a number of Standards such as the Department of Energy enforcing Minimum Energy Performance Standards and Labelling. The best international practices around the world are the standards enforced by appropriate subject matter experts.		
20. Has the Ministry taken an assessment on the benefits of being a member of the World Trade Organization?	Fiji's membership in the World Trade Organization (WTO) brings several benefits. Firstly, it provides Fiji with access to a rules-based global trading system, ensuring fair and predictable trade practices. This promotes stability and reduces the risk of trade disputes.		
Trade Organization?	Secondly, being part of the WTO allows Fiji to participate in negotiations on international trade agreements. This gives Fiji a platform to voice its concerns, protect its interests, and influence the formulation of global trade rules.		

It should be noted in the recent negotiations on Fisheries Subsidies, Fiji played a critical role in taking charge of the negotiations and shaping the outcomes.

Membership in the WTO also promotes economic diversification by encouraging Fijian businesses to compete globally. It encourages the development of domestic industries, fosters innovation, and enhances competitiveness.

Additionally, being part of the WTO helps Fiji attract foreign direct investment. Investors are often more inclined to invest in countries with stable and transparent trade policies and legal frameworks, which the WTO provides.

In summary, Fiji's membership in the WTO is important as it promotes fair trade, facilitates market access, encourages economic diversification, and attracts foreign investment.

# MINISTRY OF INDUSTRY, TRADE AND TOURISM 2018-2019 ANNUAL REPORT SDG SUPPLEMENT

#### INTRODUCTION

As a responsible organisation, the Ministry of Industry, Trade and Tourism (Ministry), through its initiatives and programmes, continues to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs) that Fiji has committed to.

The Ministry, for the period under review 2018 to 2019, contributed to the achievement of a number of the SGDs that Fiji has committed to. These SDGs form a very important part of policy making at the Ministry. It links the micro-level policies, strategies and initiatives to the macro-level vision.

Through the programmes under the Ministry, underpinned by the 5-Year and 20-Year National Development Plan, we have adopted a multi-sectoral, bottom-up approach to develop creative, sustainable solutions.



#### **EXECUTIVE SUMMARY**

The Ministry aspires to create a fair and inclusive society – one where Fijians of all backgrounds have equal access to opportunities, where the vulnerable are uplifted, and everyone can look to the future with optimism.

To achieve this, we seek to create the conditions for socio-economic growth and opportunity, thereby empowering Fijians to improve their lives. Complementing this is a plethora of community-led initiatives that aim to support grassroot communities.

In essence, our approach is to foster a culture of equitable growth and prosperity and that our actions not only improve the socio-economic circumstances, but protect the natural and cultural environment.

For example, initiatives such as Micro and Small Business Grant, Co-operative formation and training, Integrated Human Resource Development Programme, National Export Strategy, are contributing to the elimination of poverty (SDG1), quality education (SDG4), promoting gender equality (SDG5), decent work and economic growth (SDG8), reducing inequality (SDG10) and partnerships for the goals (SDG17).

The Special Economic Zone and Young Entrepreneurship Scheme, amongst other SDGs, contributes to SDG9 (Industry, Innovation and Infrastructure) and SDG13 (Climate Action), as these focus on new and emerging sectors, ITC development, opportunities in green energy and manufacturing and research and development.

By engaging in trade negotiations and promoting Fijian Made and Fijian Grown products in regional and international markets, the Ministry is creating economic activity, employment, and diversifying the economic base. Through these activities, we are contributing to SDGs 1, 5, 8 and 9.

The achievement of the SDGs is a whole-of-Government approach, the Ministry's submission outlines how the strategies, programmes and initiatives are aligned towards those goals and targets. The explanation below provides how the initiatives and programmes are linked to the Fijian commitment to fulfilling the SGDs.

SDG	Ministry Initiative/Programme	SDG Impact
2- End Hunger, Achieve Food Security and Improved Nutrition, and Promote Sustainable Agriculture  Target 2.3 - By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.  Target 2.b - Correct and prevent	The support for micro, small and medium enterprises (MSMEs) has been focused on growing the grassroot communities. It is targeted at entrepreneurs in the rural communities, especially those with resources.  At the core of our charge is the growth and welfare of businesses. Micro, Small and Medium Enterprises provide sustainable, future-oriented business models that will create a robust and resilient economy from within.  The Ministry constructed Standardised Roadside Stalls outside the town boundaries and along the main highways. The	During the year, approximately 72 stalls, permanent and portable, were constructed and given to vendors all over Fiji.
trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round	project provides vendors with structured stalls that are safe and hygienic with the ability to withstand adverse weather conditions.  In addition, the Ministry, in partnership with the International Finance Corporation (IFC) and Ministry of Agriculture, launched a study on the sourcing of imported and local fresh produce by Fiji's hotel sector. The study, 'From the Farm to the Tourist's Table' aims to capture essential information that can inform recommendations on how the two sectors can work	The 'From the Farm to the Tourist's Table' report was published in July 2018 and covers Fiji's main tourism areas of Nadi, Lautoka, the Mamanuca and Yasawa Islands, Denarau, and the Coral Coast that are home to 74 percent of all bed places.

together to better support local farmers and producers. National Trade Facilitation Committee established The Ministry has the mandate to negotiate all trade related agreements and has actively participated the WTO in discussions on trade and trade-5 companies were supported under related matters. NES. These were operating in the agri-business, marine products and Through the Ministry's National manufacturing sectors Export Strategy (NES), we aim to achieve sustainable economic growth by encouraging exports, competitiveness, value addition and diversification. Under this programme approximately, \$604,285 was paid out to successful applicants. 4 - Ensure inclusive and equitable With a young population, the quality education and promote Ministry strives to create a lifelong learning opportunities for foundation upon which Fijians, including the vulnerable youth and MSMEs, can build their knowledge and skills to be able to be more Target 4.4 - By 2030, substantially resilient. This further complements increase the number of youth and the Ministry's efforts to build and adults who have relevant skills, empower a knowledge-based including technical and vocational society. skills, for employment, decent jobs and entrepreneurship Through the FIJIAN HOSTS programme, the Ministry provides 88 Close to tourism training aimed to improve customer stakeholders trained service of frontline staff, at the through the FIJIAN HOSTS frontline agencies at the Nadi programme. International Airport. The programme expanded its focus to Tourism Awareness: train MSMEs in the tourism sector National Workshop on as well as support volunteer Facilitating Movement of services for other tourism projects, Fijian Handicrafts such as the International Visitor Survey. "Connecting People to Nature and Sustainable The Ministry also conducted Tourism Supporting Local various tourism awareness Community" workshop at activities through participation at Dawasamu. Tailevu in workshops and community visits. partnership with Department of Environment Awareness with Year 10 students of International Secondary School The Co-operative College focuses on upskilling our cooperatives and informal groups through taking The Co-operative College of

	training sessions to the communities. The areas covered skills management and financial literacy, starting a business and bee keeping training, co-operative governance.  Additionally, the Ministry's core role is to create awareness on co-operative business models around Fiji.	Fiji conducted 26 training sessions to 910 participants.  • 105 awareness information sessions providing participants with key information about cooperatives
5 - Achieve Gender Equality and Empower All Women and Girls  Target 5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life  Target 5.c - Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	The Ministry's focus has been to get more women involved in business. The Ministry remains fully committed to the advancement of women and girls who are amongst the most vulnerable.  Through programmes, such as MSBG, IHRDP, NDP and Cooperatives, we endeavour to create equal opportunities founded on the principle of meritocracy and inclusivity.  In collaboration with the World Bank Group, the Ministry undertook a comprehensive assessment of trade facilitation challenges specifically faced by women traders and freight forwarders in Fiji.	Number of women in decision making position in Co-operatives – 61  There have been women led and female beneficiaries from our grant programmes during the 2018/2019 Financial Year.  The Ministry, in collaboration with the World Bank Group undertook an assessment regarding the trade facilitation challenges faced by women traders and freight forwarders in Fiji. This demonstrates the Ministry's commitment to promoting gender equality and empowering women in international trade. The aim was to identify barriers and develop strategies to enhance their participation in international trade
8 - Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All  Target 8.2 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors  Target 8.3 - Promote development-oriented policies that support	The Ministry's were guided by the Policy direction of creation of economic activities specifically for the young, MSMEs, and in the rural communities. The provision of grants closed the financing gap that existed.  These programmes enable gainful employment of Fijians, especially in the rural and peri-urban areas. It is an effort to keep Fijians from moving to main cities and towns,	

productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

**Target 8.5** - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

**Target 8.6** - By 2020, substantially reduce the proportion of youth not in employment, education or training

**Target 8.9** - By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

Target 8.a - Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries

and from gaining more inclusive and equitable benefits.

The Micro and Small Business Grant (MSBG) provides \$1,000 grants for micro and small entrepreneurs who wish to start or expand their businesses. It underpinned our commitment to reducing poverty, through capital injection for micro and small businesses and for business and entrepreneurial skills development.

Through the Integrated Human Resources Development Programme (IHRDP) we aim to address unemployment through empowering communities by providing grant funding for community-based income generating projects.

In addition, through our targeted policies and strategies, we facilitated the promotion, establishment of **co-operative** businesses in Fiji. The training and up-skilling of co-operative members and officials is also a key role of the Department.

The Culinary Training Workshop or Chef's Training is an ongoing initiative of the Ministry and Ministry of Agriculture that aims to train local chefs on integrating local produce into menus to reduce imports and increase linkages between Tourism and Agriculture.

Through the Ministry's National Export Strategy (NES), we aim to achieve sustainable economic growth by encouraging exports, competitiveness, value addition and diversification. Under this programme approximately, \$604,285 was paid out to successful applicants.

The Northern Development Programme (NDP) targets entrepreneurs in the Northern Division under the "Look North" policy. The NDP provides equity assistance through grants to enterprises to take loans from

 Estimated 14,249 Fijians assisted at a value of \$14.1 million. Business activities included farming, fishing, canteen, sewing, poultry, to name a few.

A total of 3 new projects were approved for funding in the FYs, valued at \$190,668.

- 40 new Cooperatives registered.
- A total of 93 employment were created within cooperatives.
- In 2018, the Chef's Training saw a total of 39 participants, ranging from hotel chefs and small restaurant operators, as well as villagers involved in food preparation.
- 5 companies were supported under NES. These were operating in the agribusiness, marine products and forestry sectors
- Northern Development Programme - 125 Northbased entrepreneurs were supported at a value of approximately \$0.9 million.

approved lenders, including the Fiji Development Bank, commercial banks and sugarcane growers fund. The programme also provides business and technical training for businesses.

The Skilled **Professionals** Evaluation Committee (SPEC) is responsible to identify skills gaps in and assess Special Registrations for individuals with specialised skills that are needed in Fiji. The Registration of the Skilled Professionals Act commenced on 21 March 2016. The Act provides for the establishment of a Committee to evaluate the need for professionals in Fiji and to provide for special registration of the professionals for the related matters.

The United Kingdom-Pacific Interim Economic Partnership Agreement (IEPA) was negotiated as a standalone agreement, as much as possible. Fiji signed the UK-Pacific IEPA on 14 March 2019, in London. This has ensured that Fijian exports continue to enter the UK market duty free.

The Pacific Island Countries Trade Agreement (PICTA) is a free trade agreement among the Forum Island Countries (FICs) signed in 2001, aimed at liberalising the trade of between parties. goods implementation of the Agreement commenced in 2007, and only seven countries to date have announced their readiness to trade under PICTA and are currently implementing the Agreement. These countries include Cook Islands, Fiji, Niue, Samoa, Solomon Islands, Tuvalu and Vanuatu. Stringent rules of origin have been identified as a challenge in utilising the Agreement. A PICTA Rules of Origin Committee has heen established in 2018, to modernise and streamline processes.

A feasibility study to review the economic performance and foreign economic policies of Fiji and China was initiated. This study will provide the Ministry basis to advise the Fijian Cabinet on the way forward with regards to bilateral economic and trade engagement with China.

- The SPEC has continuously worked towards improving the process and steps associated with assessing the applications received in a fair and equal way. The SPEC has ensured that all processes are followed thoroughly and that there are no biasness towards the application. A total of 14 applications were received by SPEC during this reporting period. Out of the 14 applications received, 10 were approved, 2 disapproved and applications withdrawn.
- The Ministry's efforts in trade promotion, trade facilitation and trade policy development fosters economic growth and creates job opportunities. The Ministry, through its Trade Commissions, organised a number of trade investment promotion events for Fiji's businesses to tap into overseas markets and to attract high quality direct foreign investment into Fiii. These included:
  - I. Participation in the International Sourcing Fair in Melbourne
  - II. setting up a Fijian Made booth at the Fine Food Show, which hosted 6 micro, small and medium enterprises
- III. supported Fiji-Australia Forum Business and became a member of the New South Wales, Victoria, Queensland and Western Australia Chambers of Commerce, which will serve as a key source of information, network building and contact as trade and investment ties in these markets
- IV. Fiji became the only Pacific Island Country to participate in the World

Forum for Foreign Direct The Ministry continues to support and Investment in Sydney. facilitate the implementations of the hosted 3 trade and World Trade Organization Trade investment roadshows in Facilitation Agreement, through the New Zealand in National collaboration with the New Trade Facilitation Committee and the Zealand-Fiji Business various Working Groups. Council (NZFBC) and the Fijian High Commission, in Wellington, Christchurch Through the Investment Reform and Auckland. **project,** the Investment Policy VI. Quzhou International Statement was endorsed by Cabinet In Economic & Trade Center January 2019. The Investment Policy in Hong Kong International Statement sets out the vision, preparations continued for objectives and principles, amongst the inaugural China others, of the Fijian Government in International Import Expo terms of investments. (CIIE). VIII. 2nd Belt and Road Forum for International Cooperation in Beijing, People's Republic of China from 24-26 April 2019. The Ministry is also undertaking efforts to facilitate better and increased intra-regional trade and investments flows. The participation of businesses in trade and investment missions, facilitated through Ministry's the Trade Commissions, has assisted in boostina exports. and enhancing market access for Fijian products and services. By driving export-led growth, the Ministry contributes to SDG 8. In addition, the Ministry is making efforts to streamline trade processes implement trade facilitation measures. By improving efficiency, reducing trade barriers. and simplifying regulatory requirements, the Ministry promotes and fosters conducive business environment. In July 2019, the bizFIJI portal was launched, which hosts information on starting a business and obtaining construction permits. Despite being limited by natural 9 - Build resilient infrastructure, promote inclusive and sustainable resources, Fiji strives to achieve industrialization and foster economic growth so as to improve innovation the quality of life for Fijians. Target 9.2 - Promote inclusive and

sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

Target 9.3 - Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

Target 9.a - Facilitate sustainable resilient and infrastructure development in developing countries enhanced through financial. technological and African technical support to countries. developed least countries, landlocked developing small island countries and developing States

Target 9.b - Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities

Investment in infrastructure such as transport, energy, business process outsourcing and information communication technology is a critical component of socioeconomic growth.

In terms of **Doing Business Reforms,** the Ministry embarked on a journey to improve the business processes and enhance Fiji's position as an investment hub.

The Ministry, in these financial years, continued to undertake **investment reforms** to create an investor friendly environment.

As per the 5-Year and 20-Year National Development Plan, the Ministry is committed to positioning Fiji as a manufacturing hub of the Pacific. This includes the development of **Special Economic Zones (SEZs)** built on the "plug and play" concept, with tailor made incentives to attract investments in the services and manufacturing industries.

Partnership with the Singaporean Government on redesigning of application processes for construction permits. This was the beginning of the doing business reform project, which would eventually lead to the development of an online portal for doing business.

Review of investment framework, the legal requirements and policy. As part of the process, an **Investment Reform Map** was developed that provides a reform pathway. This will create a legal framework that adapts to the current market needs.

While in its initial phases, the SEZ, once completed, is expected to create valuable employment for locals, increase in export earnings, contribute to technology and skills transfer and expand the economic base of Fiji.

## 10 - Reduce inequality within and among countries

**Target 10.2** - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Programmes such as Micro and Small Business Grant, Co-operative formation and training, Integrated Human Resource Development Programme, National Export Strategy, Northern Development Programme, Entrepreneurship Scheme, Fijian Made, were guided by the Policy direction of creation of economic activities specifically for the young, MSMEs, and in the rural communities. The provision of grants closed the financing gap that existed.

All these programmes economically empower Fijians in the rural communities, especially those with limited resources to start a business.

The Ministry in the period 2018/2019 has spent over \$15 million to assist MSMEs, mainly in the rural and maritime communities.

- Approximately 72 stalls, permanent and portable, were given to vendors all over Fiji, so they could have hygienic and safe stalls that could withstand adverse weather.
- NES 5 companies assisted in agri-business, marine products and forestry sectors for capital upgrades, value adding equipment and helping firms make the required improvements to attain internationally

Target 10.a - Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements

Target 10.b - Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes

The Ministry has the mandate to negotiate trade agreements and having workable and practical special and differential treatment in trade agreements is priority. As a developing island nation, Fiji needs enough policy space to create economic opportunities for its people that will eliminate inequality within Fiji, and that can leverage Fiji's ability to have fair competition in the global market.

The Ministry is also responsible for policies on investment promotion and facilitation. In 2017, the Ministry started work on the review of the investment framework. This will set the Policy and revise the legal framework.

recognized export standards.

- A total of 4 young entrepreneurs were financially and technically supported to start their business.
- The concluded Melanesian
  Free Trade Agreement
  provides the opportunity for
  Fiji to strengthen its position
  as a trade and economic hub
  of the region. It is an
  agreement that provides the
  relevant policy space for
  infant industry protection.
- Fiji was also engaged in the PACER Plus negotiations. However, there remains contentious issues in the special and differential treatment that Fiji, on behalf of all developing Pacific Countries Island requesting. Fiji does not agree to the current text as it limits Fiji's ability to engage with more trading partners.
- The Investment Policy Statement will set the national vision in terms of investments. This can be used to work with development partners to look at areas of interest in terms of foreign direct investments that they could assist in facilitating.

# 12 - Ensure sustainable consumption and production patterns

**Target 12.b:** Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.

Target 12.c - Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts,

As an island economy, geographically isolated, Fiji is constrained by limited resources and land scarcity.

In order to maintain a safe living environment with a high quality of life for current and future generations, the Ministry aspires to create programmes that ensure sustainable consumption and production.

The Ministry develops and publishes standards for all goods and services. These standards look at climate resilient buildings and building materials, cleaner fuel, energy efficient appliances, to name a few.

In the period under review, the Ministry adopted building standards, followed by food energy and consumer products standards. These standards assisted in achieving the goal of sustainable consumer and production patterns.

#### 2 Published Standards

- Coating Requirements for Steel coils Standard
- Roof Sarking Coil Standard

6 Ongoing standard projects -

- Energy performance 2
- Fireworks labeling 1
- Building and construction 3

#### Publication - 1

 Guidelines for Strengthening Single Storey Houses and taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities

The Ministry and the IFC initiated a study titled "Assessment of the **Economic Impact of Cruise** Tourism in Fiji", to quantify the direct and indirect impacts of cruise tourism in Fiji and identify opportunities to inform investment decisions to further grow cruise tourism and its links to the economy.

Following the completion of a review diagnostic of Fiji's International Visitor Survey (IVS), the Ministry successfully rolled out a new IVS Online data collection system. The new IVS is administered online with the existing Ministry enumerators collecting email addresses through a recruitment survey and full data collection occurring through an online survey sent via email. The new IVS also includes a revised sampling, questionnaire, data collection analysis and methodology, and has adopted an online IVS data collection system effective from January 2019. Concurrently, the **Tourism** Research Officers were trained to implement the new IVS.

The Fijian Made-Buy Fijian Brand also solidifies sustainable production and consumption of local goods and services

109 new companies and 449

products were licensed under the

Schools in Rural Areas and

The "Assessment of the Economic

Impact of Cruise Tourism in Fiji",

study was released in November

2018 through an inception meeting

workshops with key cruise sector

stakeholders. The study is a key

The data collected under the IVS is

collated and compiled into the

annual IVS report release by the

Ministry. The 2018 IVS report is

stakeholders such as the Reserve

Bank of Fiji and Fiji Buerau of

validation

stakeholder

by

industry

strategy of the FT 2021.

Villages in Fiji

and

pending

Staistics.

Brand.

#### Goal 13: Take urgent action to combat climate change and its impacts

13.3 Improve education. awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

The Ministry continued to raise awareness on the contribution of sustainable tourism development, whilst mobilising stakeholders to work together in making the sector a catalyst for positive change.

Fiii and the Pacific Region, for the first time hosted the UN World Tourism Organisation 30th Joint **Meeting of the Commission of East** Asia and Pacific and Commission of the South Asian in 2018.

In line with the 2017 International Year of Sustainable Tourism for Development (IYSTD), which was declared by the UN General Assembly in 2015, the Ministry

Fiji's hosting provided to exchange and enhance knowledge on the impacts of climate change in the Asia Pacific and highlight the Pacific's plight to encourage bigger, more developed

- Coral planting at the Outrigger Resort Fiji
- Dry forest rehabilitation at the Sigatoka Sand Dunes National Park
- planting Tree and

opportunity information strengthen collaboration economies to take climate action.

Goal 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development.  Target 14.7: By 2030, increase the conomic benefits to Small Island Developing States and least developed countries from the sustainable use of marine resources, including through sustainable was present to stationable in the sustainable with the sustainable was present to state the sustainable was present to fisheries, aqua-culture and tourism.  Target 14.7: By 2030, increases the sustainable was present to small Island Developing States and least developed countries from the sustainable was present to state the sustainable was present to sustainable w		continued work on the National	beautification of Thurston
use the oceans, seas and marine resources for sustainable development.  Target 16.3 - Promote the related for and the related for a sustainable development.  Target 16.3 - Promote the related for and the related for all and build exploring ocuratives in the participation of related for all and build explored and concepting the participation of the sustainable and provided the provided for the sustainable and provided the sustainable and inclusive institutions at all levels  Goal 16 - Promote peaceful and louisive institutions of global governance and sustainable and inclusive institutions of global governance and sustainable and inclusive institutions of global governance and sustainable and provided the sustainable and sustainable and inclusive institutions of global governance and sustainable and sustainabl			
inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels  Target 16.3 - Promote the rule of law at the national and international levels and ensure equal access to justice for all  Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance  Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance  Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance	use the oceans, seas and marine resources for sustainable development.  Target 14.7: By 2030, increase the economic benefits to Small Island Developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of	engagement and capacity building allows the Ministry to keep a pulse on the ground tourism products. It also enables informed decision making in terms of investment and potential for product development and diversification at the regional level. The Ministry, in partnership	key stakeholders, conducted a total of 6 engagements in the reported period as follows:  Radio Talk back show (August 2018) — collaboration with Fiji Broadcasting Corporation to create tourism awareness and highlight MSME success stories.  Fiji Hotel and Tourism Association, Digital Media Workshops (November 2018 and June 2019) — capacity building initiative to assist the industry, in particular MSMEs, to leverage and maximise benefits from online and digital presence.  Nausori and Navosa Highlands Familiarisation Trip (April 2019) — joint collaboration between Tourism Fiji, Destination Dreaming and Rosie Holidays to understand the current products on the ground and identify the potential for future growth in the Nausori and Navosa Highlands.  Yalobi village, Waya, Yasawa Islands (July 2019) — a collaboration with South Sea Cruises to assist the community develop day tour products.  Waikubukubu village, Tavua, Ba (July 2019) — joint awareness session with the Ministry of Forests, to facilitate the
Target 16.3 - Promote the rule of law at the national and international levels and ensure equal access to justice for all  Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance  either through the Co-operative meetings (AGMs), through the Registrar or through the Tribunal.  The Act also includes a Governance framework that is aligned to best practices and ensures the sustainability of the co-operatives.	inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive	protects the rights and duties of cooperative members.  The Act also provides provisions for resolving disputes and enables equal opportunities for co-operative	have attended to disputes/complaints raised in
Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance framework that is aligned to best practices and ensures the sustainability of the co-operatives.	law at the national and international levels and ensure equal access to	either through the Co-operative meetings (AGMs), through the Registrar or through the Tribunal.	
The Ministry has also worked with	strengthen the participation of developing countries in the	framework that is aligned to best practices and ensures the sustainability of the co-operatives.	
-		The Ministry has also worked with	

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