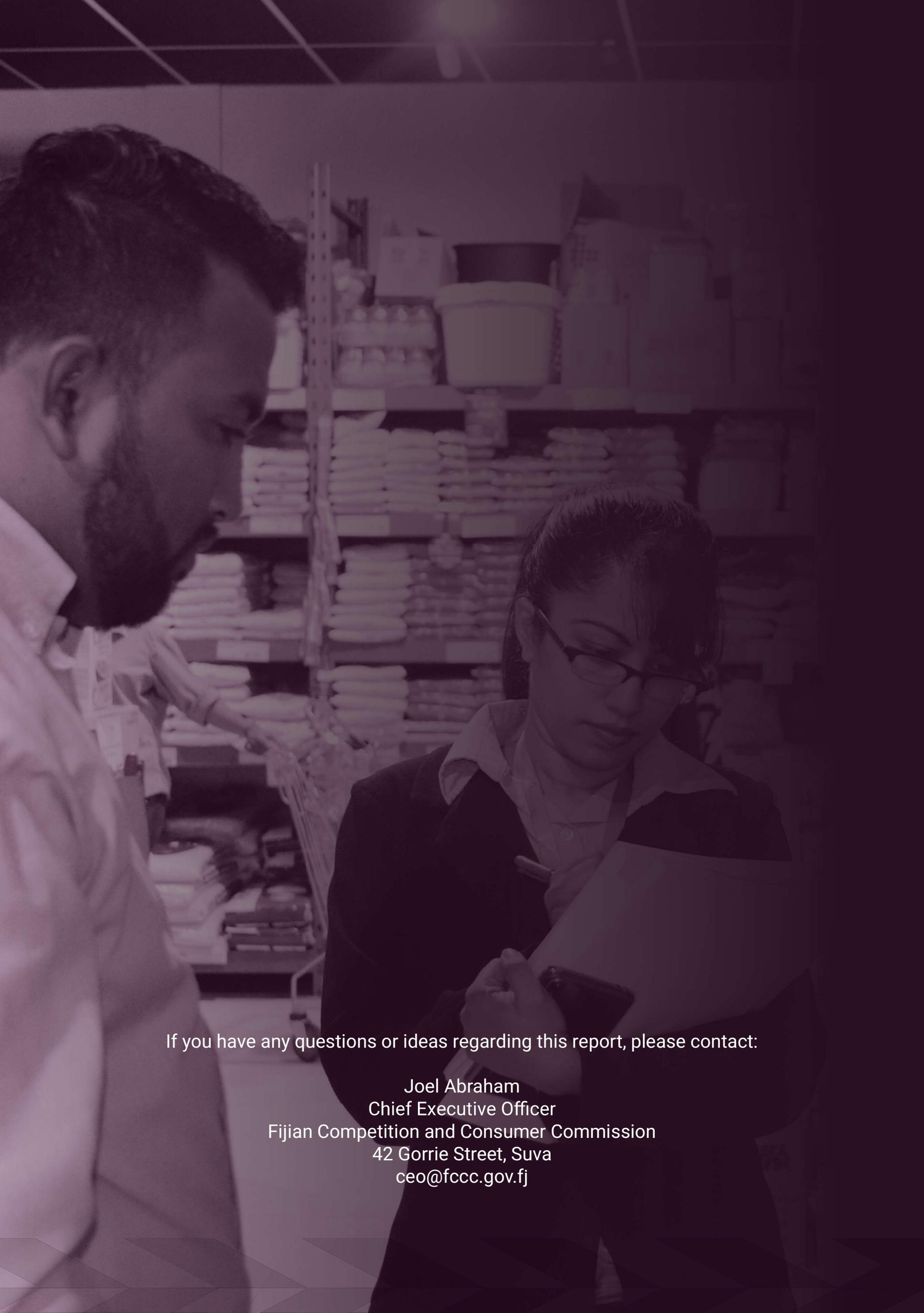




**FIJIAN  
COMPETITION &  
CONSUMER  
COMMISSION**

**ANNUAL REPORT  
2021-2022**

A man and a woman are in a warehouse or storage area. The man is on the left, looking towards the woman. The woman is on the right, wearing glasses and holding a large document. They appear to be reviewing the document together. The background shows shelves filled with various items, including bags and boxes.

If you have any questions or ideas regarding this report, please contact:

Joel Abraham  
Chief Executive Officer  
Fijian Competition and Consumer Commission  
42 Gorrie Street, Suva  
[ceo@fccc.gov.fj](mailto:ceo@fccc.gov.fj)



This report describes the performance of the Fijian Competition & Consumer Commission, including operational and financial management, for the year ending 31 July 2022. It addresses our annual reporting obligations under the Fijian Competition & Consumer Commission Act and all other relevant legislation.

### **Important notice**

The information in this publication is for general guidance only. It does not constitute legal or other professional advice, and should not be relied on as a statement of the law in any jurisdiction. FCCC has made every reasonable effort to provide current and accurate information, but it does not make any guarantees regarding the accuracy or completeness of that information.



Honorable Manoa Kamikamica  
Deputy Prime Minister and Minister for Trade, Co-operatives and Small  
and Medium Enterprises, and Communication  
Level 4  
Civic Tower  
Victoria Parade  
SUVA.

Annual Audited Report 2021-2022

Dear Honourable Minister,

I am pleased to present to you the Annual Report of the Fijian Competition and Consumer Commission (FCCC) in accordance with section 25 of the FCCC Act 2010.

This report covers operations for the year ended 31st July 2022. FCCC is required to provide the Annual Report to the responsible Minister who must cause it to be laid before Parliament as soon as practicable.

On behalf the members of FCCC, I take this opportunity to thank the Fijian Government for its continuous support.

Yours sincerely,

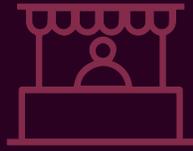
Isikeli Tikoduadua  
Chairperson

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# FCCC AT A GLANCE



**TOTAL TRADERS  
VISITED**

**2021/2022  
19,238**



**TOTAL PENALTIES AWARDED  
BY THE COURT \$144,792.00**



**CONSUMER AWARENESS**



**INDIVIDUAL  
378**



**COMMUNITY/SCHOOL  
130**



**WORKSHOPS  
16**



**TIKINA/  
PROVINCIAL  
COUNCILS  
47**



**REGISTERED COMPLAINTS**

**FORMAL  
712**

**INFORMAL  
891**

# MESSAGE FROM THE CHAIR



## ISIKELI TIKODUADUA

### **Ni Sa Bula Vinaka!**

On behalf of my fellow Commissioners, I am pleased to present this annual report for the financial year 2021/2022.

In 2021/2022, FCCC continued its efforts to enforce decisive and robust enforcement actions against individuals or businesses that breach the FCCC Act 2010.

These serve to deter non-compliance, protecting our Fijian consumers against anti-competitive activities and unfair trade practices.

Our focus is on non-compliance and enforcement priorities, securing significant outcomes that serve as a strong deterrence to the offenders. As such, a collective total value \$144,792.00 fine was imposed by the Fijian courts to offenders for breach of the FCCC Act 2010.

Competition and consumer protection share a close and complementary relationship as FCCC is empowered to ensure markets work well for both consumers and businesses. Measures to enhance competition in markets can bring about benefits for consumers in the form of more choices, lower prices or improved quality.

Similarly, enforcement of FCCC Act 2010 against errant businesses for unfair trade practices will ensure that the playing field is level for law-abiding suppliers.

FCCC remains committed in our mission to create a dynamic market in Fiji. We believe that markets also work well by adapting to the evolving economic and technological landscape.

This year, we experienced and felt the impact of global and domestic supply chain disruption and global inflation. These factors increased the cost of fuel prices, transport, and food. FCCC proactively continued to monitor the movement conditions in the international market to ensure that domestic prices are set in a reasonable and balanced manner in accordance with the FCCC Act 2010.

As Fiji's consumer protection agency, we welcomed measures introduced in the budget with the aim of mitigating inflation, promoting consumer welfare, providing subsidy to the bus industry, and improving access to necessities such as water and electricity for all Fijians.

We were pleased by the pro-consumer measures in the budget aimed at addressing their needs by continuing to reduce the cost of 21 essential everyday items to a zero-rated VAT and providing subsidy to the bus industry which reduced the bus fares to 10% across the board. This cushioned the impact of higher global prices on our Fijian people and reduce the cost of living.

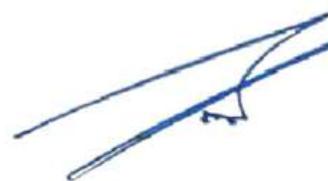
In the past year, the Government gave FCCC additional responsibility under the Public Health Act 1935 and appointed FCCC as an authorised officer which streamlined the enforcement of the COVID safe measures and order issued by the Minister and Permanent Secretary for Health.

Since the launch of FCCC's Strategic Plans in 2017, we have continued to work towards organisational excellence and strived to become world class regulatory body with continuous improvement and innovation towards our operational systems, strategies, and processes to deliver world class service to the Fijian public.

Throughout 2021/2022 Financial year with its challenges and uncertainties, we have continued to strive to make Fijians better off through our actions and deliver exceptional services to the Fijian public in the work we do for our people. Growing a vibrant economy with competitive markets and innovative businesses will remain our key objective in the coming year.

I would like to thank my fellow Commission members for their support, guidance, and invaluable contributions. I also extend my sincere appreciation to the management team and the staff of FCCC for their dedication and hard work during the year.

The Fijian Government and our stakeholders must also be acknowledged for their support of FCCC through the years and we look forward to your future contributions in achieving our vision of a dynamic and well-functioning market in Fiji.



Isikeli Tikoduadua  
Chairperson

**FCCC REMAINS  
COMMITTED IN  
OUR MISSION TO  
CREATE A DYNAMIC  
MARKET IN FIJI.**

# MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



## JOEL ABRAHAM

### **Ni Sa Bula Vinaka!**

I am extremely pleased to present the 2021/2022 Financial Year Annual Report for the performance of the Fijian Competition and Consumer Commission (FCCC).

FCCC plays an integral role in the Fijian economy. We are the only consumer body in Fiji that is endowed with enforcement capabilities. In this unique role, we promote effective competition, properly informed and regulated markets, encourage fair trading practices and protect both consumers and businesses from restrictive trade practices. Guided by these overarching

objectives, by the legal framework in which we operate - the FCCC Act 2010, and our strategic goals, we continue to fulfil our mandate as an independent and expert body.

FCCC remains committed in our mission to make markets work well to create opportunities and choices for businesses and consumers in Fiji. We value our partnerships with our stakeholders and will continue to collaborate with them to enhance, protect and promote the competition and compliance culture in Fiji.

One of FCCC's focus is to bring regulatory transparency to foster discussions and have a better understanding of regulatory policies, increasing the legitimacy of regulatory agencies and the public acceptance of decisions.

As such, FCCC collaborated with Asia-Pacific Applied Economics Association for capacity development in research and policy formulation, and for the enhancement and publication of FCCC's research papers in internationally respected journals. We will be able to use cutting edge research to shape the policy making decisions and set a new benchmark for policy research for the region to follow.

FCCC uses a range of tools to ensure compliance and prevent breaches of the FCCC Act 2010 and regularly reaches out to a wide range of stakeholders to promote awareness and understanding of competition and consumer protection laws, and to solicit feedback on specific competition and consumer protection matters. FCCC expanded its awareness campaigns all over Fiji to educate both consumers and businesses about their rights and responsibilities under the FCCC Act 2010.

In our pursuit of business excellence, FCCC has actively participated in the Fiji Business Excellence Awards, Quality Circles, 5S methodology, SWOT analysis, PDCA cycles, Six Sigma, project management, and numerous other productivity tools. These initiatives have fostered a culture of continuous improvement, positioning FCCC as a premium brand in the public sector and an employer of choice.

A major strategic priority for the year ahead is to look at environment and sustainability claims to maintain the community's trust in green claims. FCCC will continue monitoring the market to take enforcement action against greenwashing, including court action.

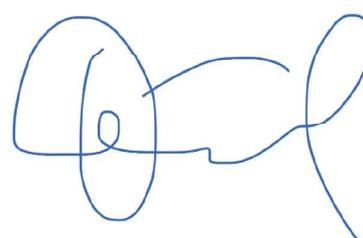
FCCC, currently, has mandated that all reviews incorporate the impact of climate change and environmental impacts into its assessment criteria for price-control regime. FCCC is also working on strengthening competition and consumer protection laws in Fiji and is currently undergoing review of its legislation to make it

an all-inclusive legislation by having a holistic and flexible approach in line with the dynamic Fijian market by ensuring equitable and efficient development of trade, industry, and commerce leading to reliability, availability, affordability, and sustainability of supply, benefiting all participants. One of the mandated requirements would be to consider the objective of reducing or mitigating climate change's impact on Fiji.

Another key focus area for FCCC is the digital market which plays a bigger role in the markets around the world and countries. We will continue with the e-commerce market study to get a better understanding of issues related to clarity on market definition, assessment of market power and types of potentially abusive conduct.

As always, FCCC is wholly committed to fostering and preserving conducive market conditions for sustainable economic growth for the good of all Fijian consumers and traders. We will continue to deliver quality services to all our stakeholders as part of our strategic goals.

As Fiji works towards post-pandemic recovery, our objective to ensure markets work well is more relevant as ever. We aim to remain an expert, efficient and informed regulator, ready to take on new challenges and issues posed by the changing economy.



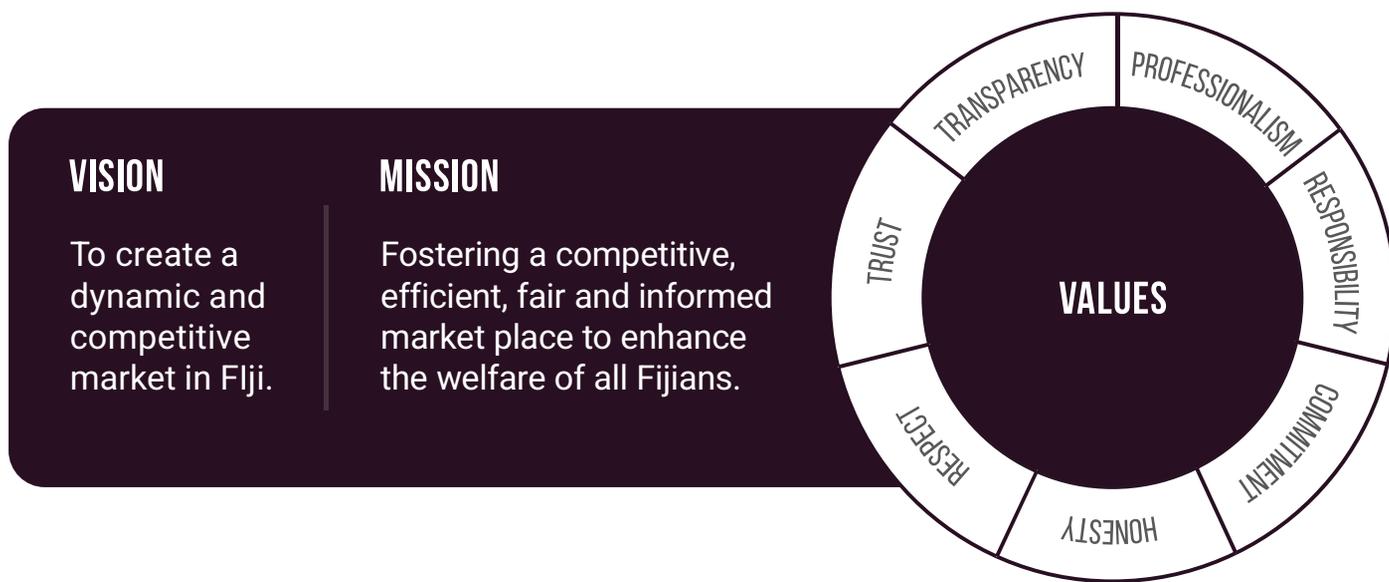
Joel Abraham  
Chief Executive Officer

**FCCC PLAYS AN  
INTEGRAL ROLE  
IN THE FIJIAN  
ECONOMY.**

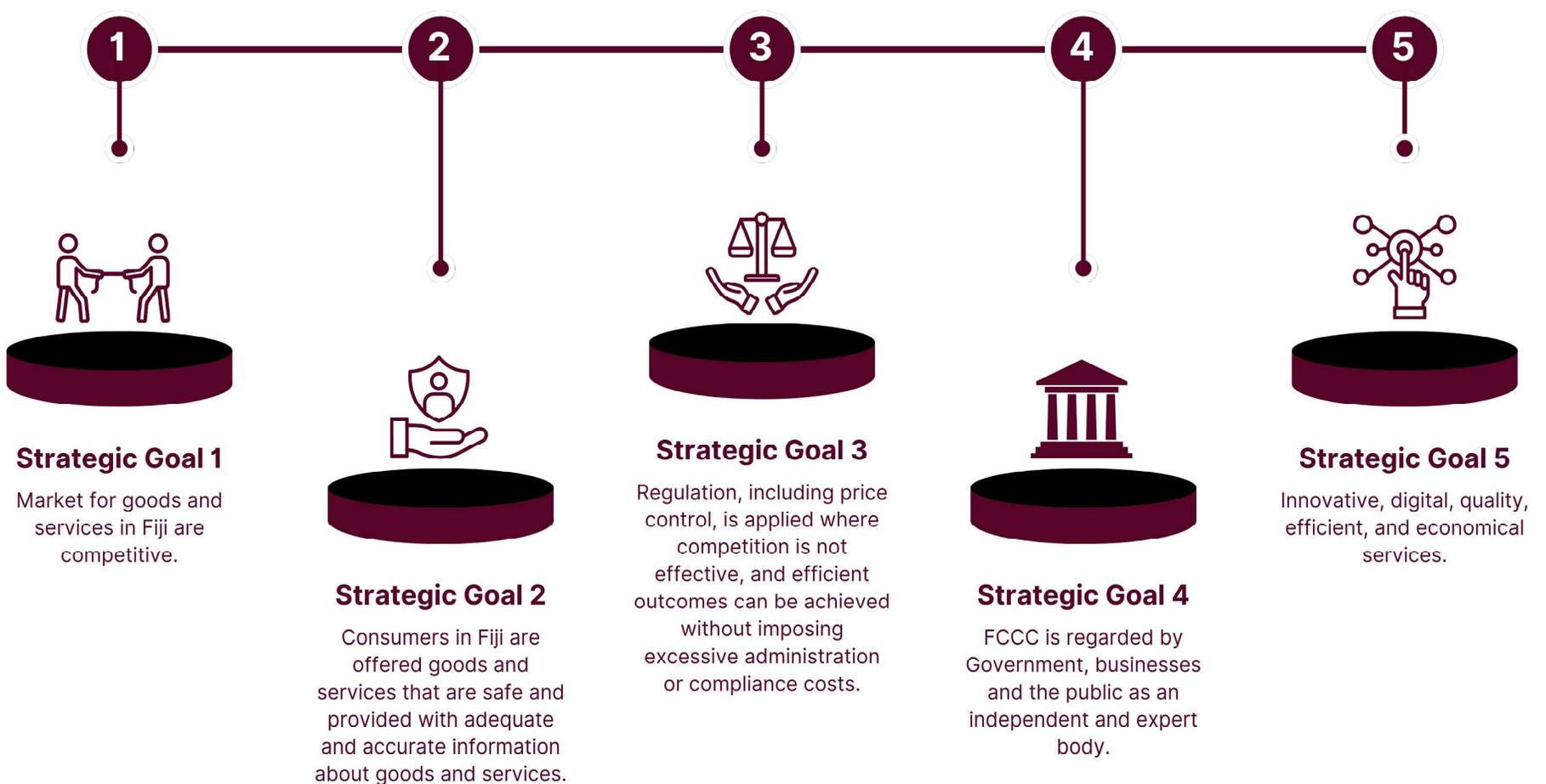
# ABOUT FCCC

## Who are we?

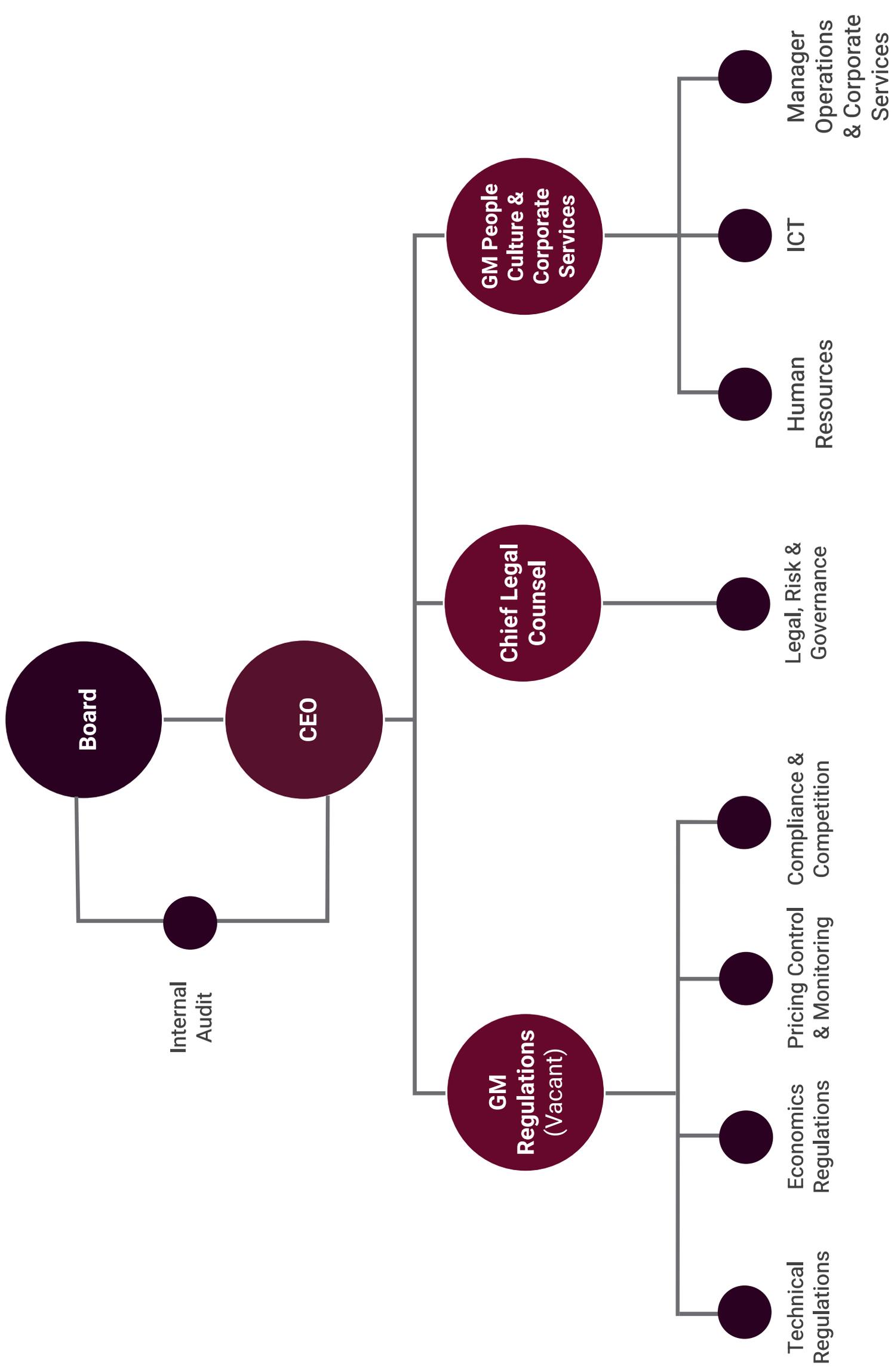
FCCC is an independent Fijian statutory body established under section 7 of the FCCC Act 2010, that promotes effective competition and informed markets, encourages fair trading practices, protects consumers and businesses from restrictive trade practices and controls prices of regulated industries and other markets where competition is lessened or limited. FCCC's primary responsibility is to ensure compliance of consumer protection laws contained in the FCCC Act 2010.



## Strategic Goals



# FCCG ORGANISATIONAL STRUCTURE



# OBJECTIVES AND FUNCTIONS OF FCCC

## Objectives

The objectives of FCCC are set out in section 2(1) of the FCCC Act 2010, as follows:

- Promote the interests of consumers;
- Promote efficient and effective development of industry, trade or commerce;
- Promote efficient competition in industry, trade or commerce; and
- Ensure equitable returns for businesses with fair and reasonable prices charged to consumers.

Objectives in relation to regulated industries and access regimes are as follows:

- Promote effective competition in the interests of consumers;
- Facilitate an approximate balance between efficiency and environment and social considerations; and
- Ensure non-discriminatory access to monopoly and near monopoly infrastructure or services.

## Functions

Pursuant to section 15 of the FCCC Act 2010, FCCC has the following functions:

### Access Agreements

- Provision of advice to the Minister about proposed access agreements;
- Maintenance of register of access agreements;

### Access Regimes

- Facilitation of negotiations about access to infrastructure facilities or services under access regimes;
- Arbitration of disputes about access to infrastructure facilities or services under access regimes;

## Regulated Industry

If, under a law relating to regulated industry, the referring authority delegates to FCCC the power to impose, modify or revoke conditions in respect of licenses granted under that law, FCCC to

impose, modify and revoke those conditions in accordance with the relevant delegation.

## Acquisition of goods or services

- Promote the interests of consumers and persons negotiating or considering the acquisition of goods or services as consumers and to assist, them to a greater awareness in relation to their assessment and use of goods or services;
- Collect, examine and disseminate information in respect of matters affecting or likely to affect the interests of consumers or persons negotiating or considering the acquisition of goods or services as consumers.

## Consumer Complaints

- Receive and consider complaints concerning matters affecting or likely to affect the interests of consumers or persons negotiating or considering the acquisition of goods or services as consumers and, if FCCC is of the opinion that such action is warranted, to investigate the complaints and take such action in respect thereof as seems proper to FCCC;
- Investigate fraudulent or deceptive practices in relation to matters that affect or are likely to affect the interests of consumers or persons negotiating or considering the acquisition of goods or services as consumers and to take such action in respect of the practices as seems proper to the FCCC.

## Information

- Advise and assist persons who seek from FCCC information or guidance on matters affecting or likely to affect their interests as consumers or as persons negotiating or considering the acquisition of goods or services as consumers;
- Encourage and undertake the dissemination of information concerning consumer affairs to producers, manufacturers, and suppliers of goods or services.

## Review of commercial activities

- Review all commercial activities and collect information regarding such activities;
- Fix and declare maximum prices and quantities, for goods and services and rents.

## Authorizations and approvals

- Issue authorizations and approvals by way of licenses for the provision of goods and services in regulated industries to which the functions, authority and powers are

granted by the legislation and regulations underpinning any regulated industry to which it is to become the principal regulator.

## Other functions

- Discharge such other functions as the Minister may direct or are conferred on FCCC by or under the FCCC Act 2010 or any other written law.

# ADDITIONAL RESPONSIBILITIES UNDER OTHER LEGISLATIONS

## Electricity Act 2017

The FCCC has been appointed as the Independent Regulator for the electricity sector, pursuant to section 5(1) of the Electricity Act 2017. FCCC, as a regulator undertakes a list of regulatory functions outlined in the Electricity Act 2017. The FCCC is in charge of regulating existing electricity operators such as Energy Fiji Limited as well as newer entrants into the sector. The FCCC is responsible for issuing the generation, transmission, and supply licenses to operators in the electricity sector.

## Pharmacy Profession (Budget Amendment) Act 2022

The Pharmacy Profession (Budget Amendment) Act 2022 (Pharmacy Amendment Act) amends the Pharmacy Profession Act 2011 to address the anti-competitive nature of the Act to ensure that pharmacy businesses are able to compete more effectively.

The said Act transferred the business and market control role of the previous Board to FCCC as the FCCC possesses expertise in competition and market dynamics and is better placed to determine the business-related aspects of the pharmacy business market.

FCCC is now responsible for authorizing the operations of pharmacy businesses, premises, and locations for these businesses in Fiji, under

the Pharmacy Profession (Budget Amendment) Act 2022.

## Medicinal Products (Budget Amendment) Act 2022

The Medicinal Products (Budget Amendment) Act 2022 amends the Medicinal Products Act 2011 and removes the indirect limits on competition in the Act by removing the Fiji Medicinal Products Board's ('Board') role in licensing the import, manufacture, export, storage, distribution, and sale of medicinal products, poisons and devices, and the licensing of business premises for these purposes.

As such, the Act transferred the business and market control role of the Board to FCCC.

## Public Health (Amendment) Act 2021

The Public Health (Amendment) Act 2021 allows for the issuance of infringement notices for offences committed under Part 7 of Public Health Act or any subsidiary legislation made under Part 7 of the said Act. The ministerial responsibility of the Public Health (Amendment) Act 2021 lies with the Minister responsible for Health & Medical Services who has appointed FCCC (amongst other officers) as an authorized officer to enforcement of the Public Health Amendment Act.

# GOVERNANCE STATEMENT

The Board of Directors, Executive Management and staff of FCCC are committed to deliver benefits of competition regime to all Fijians with regards to economic development, greater efficiency in trade and protection of consumer welfare in an ethical, fair and transparent manner.

We believe that good corporate governance helps to build an environment of trust, transparency, and accountability necessary for fostering long-term trust, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies.

We practice good corporate governance to encourage robust and effective decision-making through clear, efficient, and effective processes, practices, and policies.

## Performance Of FCCC

The performance of FCCC is documented in the annual report and submitted annually to the Minister, which is then tabled to the Parliament, in accordance with section 25 of the FCCC Act 2010.

## The Board

The Board is responsible for the overall governance, management and strategic direction of FCCC and for delivering accountable corporate performance in accordance with FCCC's goals and objectives. This responsibility is set under the FCCC Act 2010 and Strategic Plan 2018-2023.

## Responsibilities Of Board

The responsibilities of the Board are as follows (but not limited to):

- a) Providing strategic direction to FCCC and setting FCCC's strategies and objectives in conjunction with the CEO;
- b) Monitoring the strategic direction of FCCC and the attainment of its strategies and objectives in conjunction with the Executive Management;
- c) Monitoring the operational and financial

- d) Driving organisational performance so as to deliver value or benefit to the Fijian economy or its citizens;
- Assuring a prudential and ethical base to the FCCC's conduct and activities having regard to the relevant interests of its stakeholders;
  - Assuring the principal risks faced by FCCC are identified and overseeing that appropriate control and monitoring systems are in place to manage the impact of these risks;
  - Assuring that the organisation's financial and other reporting mechanisms are designed to result in adequate, accurate and timely information being provided to the Board;
  - Appointing and, where appropriate, removing the CEO, monitoring other key executive appointments, and planning or monitoring executive succession or management capability planning;
  - Overseeing and evaluating the performance of the CEO, and through the CEO, receiving reports on the performance of other senior executives in the context of the organisation's strategies and objectives and their attainment;
  - Reviewing and approving the CEO's and, in conjunction with the CEO, other senior executive remuneration;
  - Approving the organisation's budgets and business plan and monitoring major capital expenditures, and capital management generally;
  - Ensuring that the organisation's financial results are appropriately and accurately reported on in a timely manner in accordance with the legal requirements;
  - Appointing and, where appropriate, removing the company secretary; and
  - Ensuring that the organisation's affairs are conducted with transparency and accountability.

## Corporate Governance Charter

The Board is guided by a Corporate Governance Charter which provides guidance to the Board Commissioners in the discharge of their duty to oversee the affairs of FCCC. The pillar of the Charter is built on accountability, fairness, transparency, leadership, etc.

Amongst other things, the Board must at all times:

- a) Act honestly in the best interests of FCCC;
- b) Use due care and diligence in performing its functions;
- c) Not make improper use of information;
- d) Avoid conflicts of interest;
- e) Exercise independent judgment;
- f) Treat confidential information as the property of FCCC;
- g) Not engage in conduct liable to bring FCCC into disrepute; and
- h) Comply with the spirit of the Board Charter.

## Internal Audit And Risk Units Of FCCC

### Internal Audit

FCCC has introduced an internal audit (IA) function as an independent unit of FCCC as internal audit

is a fundamental part of Corporate Governance. The IA reports directly to the Board. IA provides assurance by assessing and reporting on the effectiveness of governance, risk management, and control processes designed to help FCCC achieve strategic, operational, financial, and compliance objectives.

IA provides fair and accurate review of governance processes, risk management and internal controls. As the third line of defence for FCCC, internal audit equips the board with a holistic view of governance structures and how well they are working within the organization.

### Risk Management

FCCC has also introduced a risk management unit which is central to good corporate governance because it closes the loop between strategic initiatives and day-to-day operational performances. It also provides the foundation for dynamic goal setting, balanced scorecards, and guided analysis. The Unit is responsible for the establishment, operation and management of an enterprise-wide risk management system. This includes, but is not limited to, assess, monitor and manage business risk, including strategic, operational, financial and compliance risk.



# BOARD COMPOSITION



## **Mr. Isikeli Tikoduadua**

### **Chairperson**

Mr. Tikoduadua commenced his appointment as Chair on 17 September 2021 and has served on the FCCC Board as a Commissioner since 17 September 2015 and was appointed as a Deputy Chair on 10 November 2017. He has more than 30 years of banking experience and has worked for Bank of New Zealand (BNZ), Australia NZ Banking (ANZ) and was also the CEO of HFC Bank when he retired in June 2016.

Mr. Tikoduadua is currently the chair of Special Administrators for Suva City and Lami Town Council, the USP MBA Advisory Committee.

He also serves as the Director of Vodafone Fiji, Director of Tower Insurance Ltd and Director of ITaukei Land Trust Board (ILTB).

He has a Post Graduate Diploma in Business Administration



## **Mr. Romil Patel**

### **Deputy Chair**

Mr. Patel was appointed as FCCC's Deputy Chair on 17 September 2021; however, he has served on the FCCC Board since September 2015. He is the founder and CEO of Jewels, Fiji and the Administrative Director and shareholder of SPR, Director and Shareholder of All Foods (Fiji) Ltd, Kebah King (Fiji) Ltd, and Information Nest Solutions (Fiji) Ltd.

He also serves as the Director & Board Member of Port Denarau Centre Management Ltd and as a Member of the Trade Standards Advisory Council of Fiji.

Mr. Patel is an Accredited Jewelry Professional from Gemological Institute of Company of Directors, Gemological Association of Australia (GAA) and Treasurer for the Rotaract Club of Nadi.

He has Bachelor of Commerce Degree from University of Queensland, Brisbane, Australia

# COMMISSIONERS



## **Mr. Vimlesh Sagar**

Mr. Sagar was appointed to the FCCC board as a commissioner in August 2015 and is a Member of Australian Institute of Company Directors (AICD), Fiji Human Resources Institute (FHRI) and CPA Australia. Mr. Sagar has over 13 years' experience in Finance gained from dynamic and multi-cultural organizations. He possesses multiple skills covering many financial areas such as laws, financial analysis and management, budgeting, auditing practices, taxation, annual reporting, economic regulations, ethics, corporate governance and change management. He holds a Bachelor of Arts Degree, Post Graduate Diploma and Master of Commerce in Professional Accounting from the University of the South Pacific.

In 2018, he was appointed as a member of the selection panel for the Young Entrepreneur Scheme (YES) and was also appointed as a selection panel member for the Research and Innovation Scheme for Enterprises (RISE).

He is currently the Chief Financial Officer / Company Secretary of the Fijian Broadcasting Corporation PTE Ltd and serves the people of Fiji as a Justice of Peace.

# THE EXECUTIVE TEAM



## **Mr. Joel Abraham**

### **Chief Executive Officer**

Joel Abraham was appointed Chief Executive Officer of the FCCC in September 2016. Mr. Abraham has extensive business and public sector experience. Immediately prior to his appointment to the FCCC, he was a Regulatory, Compliance, Finance and Business Advisor in various capacities in Australia, Fiji, and Tonga both in the public and private sector.

Mr. Abraham was also a Deputy CEO, Manager Compliance, Senior Research Fellow at the former Fiji Commerce Commission / Prices and Incomes Board. Prior to this he was with PricewaterhouseCoopers. Mr. Abraham holds two Masters and three Post graduate qualifications along with his initial Degree in Commerce. His expertise ranges from Accounting, Economics, Finance, Financial management, Public Law, International Relations to Climate change. He also is a member of CPA Australia, Association of Certified Fraud Examiners, Australian Institute of Company Directors, and a Chartered Accountant. In addition, Mr Abraham is a Director of the FNPF, FNPF Hotels Portfolio, Aspen Medical and FMIB.



## **Mr. Vinitesh Kumar**

### **General Manager People, Culture & Corporate Services**

Mr. Kumar was appointed to the role of General Manager People, Culture & Corporate Services in December 2021. Since joining FCCC in October 2017, Mr. Kumar has provided leadership in key business improvement projects which includes the Fiji Business Excellence Framework and Quality Management Systems and has served FCCC as its Manager Human Resources since May 2019.

Mr. Kumar possesses over 10 years of work experience as a human resource professional, and holds a Master of Commerce in Management and Public Administration from the University of the South Pacific (USP), and is currently pursuing a Masters in Governance, at USP as well.

His expertise ranges from HR, Industrial Relations, Training, Quality Management, Project & Grant Management together with IT and Financial Management. He is also a member of the Fiji HR Institute and Australian HR Institute & Australia Institute of Company Directors.

Mr. Kumar oversees the entire organisational growth strategies and is responsible for raising FCCC's corporate standards as a regulator, and as a consumer protection agency, to ensure FCCC continue to meet its strategic goals and functions.



## **Mr. David Solvalu**

### **Chief Legal Counsel**

Mr. Solvalu was appointed to the role of Chief Legal Counsel in December 2021.

Mr. Solvalu completed his Bachelor of Law Degree in 2014, Professional Diploma in Legal Practice in 2015 and Professional Diploma in Legislative Drafting in 2016 – all from the University of the South Pacific.

Prior to joining FCCC, Mr. Solvalu practiced at Howards Lawyers, the Office of the Attorney – General and the Parliament of the Republic of Fiji – Government Chambers.

Mr. Solvalu has over six years' experience specializing in Legislative Drafting, Policy Reform and Revision, and Legal Research. He played an integral role in the development of major pieces of Fijian Legislation, including the Trademarks Act 2021 and Climate Change Act 2021, and has extensive experience in the reviewing and amending of laws – including the FCCC Act 2010, Companies Act 2015 and the Land Transport Act 1998.

Mr. Solvalu has also served as a Senior Negotiator in the UNFCCC Process representing Fiji at the Annual Conferences of the Parties to the UNFCCC as well as intersessional meeting of the subsidiary Bodies to the UNFCCC. In the climate change process, he specialized in mitigation and carbon markets.



# ECONOMIC REGULATIONS

Regulation is an important means for achieving Government policy objectives while driving market economies. As the Economic Regulator, Competition and Consumer Protection agency, the primary role of the FCCC in line with Government policies is to correct market failures thus enhancing the welfare of all Fijians through the promotion of competition and fair trade, regulating prices of certain goods and services provided by regulated entities and the protection of consumers' rights and interests.

The Economic Regulations department is responsible for determining the prices of products and services controlled by the FCCC pursuant to a Price Control Order and undertaking independent analysis and reviews on any industry engaged in the supply of electricity, water, sewage, post, broadcasting, telecommunications, ports, civil aviation, transport, or any other industries that

is declared subsequently in Section 5, Regulated Industries of the FCCC Act 2010.

Through economic regulation, FCCC aims to get the right balance between providing incentives and equitable returns for regulated businesses/Industries to invest and ensuring that consumers are charged prices that align with the cost of the goods or services they receive. Several major projects were carried out by the Economic Regulations department during FY2021-2022 to support FCCC's ongoing service delivery capability; including market studies and assessments to support policy recommendations to relevant government agencies.

The summary of the major activities for the year are in the next section.

## Monthly Price Restatement

In its effort to improve FCCC's processes and review time frames, the FCCC has adopted monthly price restatement for selected industries to meet the industry's expectations. Included in the monthly restatements is the Petroleum and Liquefied Petroleum Gas (LPG) sector. Through this pricing mechanism, FCCC has effectively ensured that domestic price movement is aligned with symmetrical movements corresponding the world market price.

## LPG

LPG products are now subject to monthly price reviews to determine the market wholesale and retail prices of LPG supplies in Fiji. The monthly restatements of prices are based on the current month's Saudi Aramco Contract Price, one month lag period average exchange rate and the international freight and handling charges. The LPG price changes are depicted in Figure 2.0.

## Petroleum & LPG Price Reviews

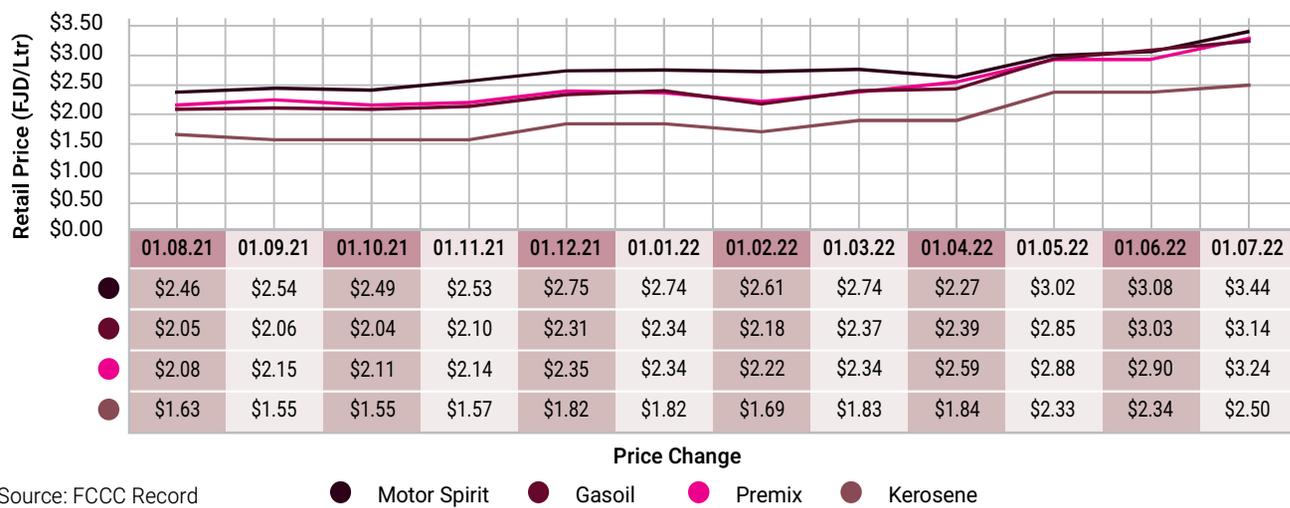
A total of 12 price restatements were carried out in the year for both Fuel and LPG products.

## Petroleum

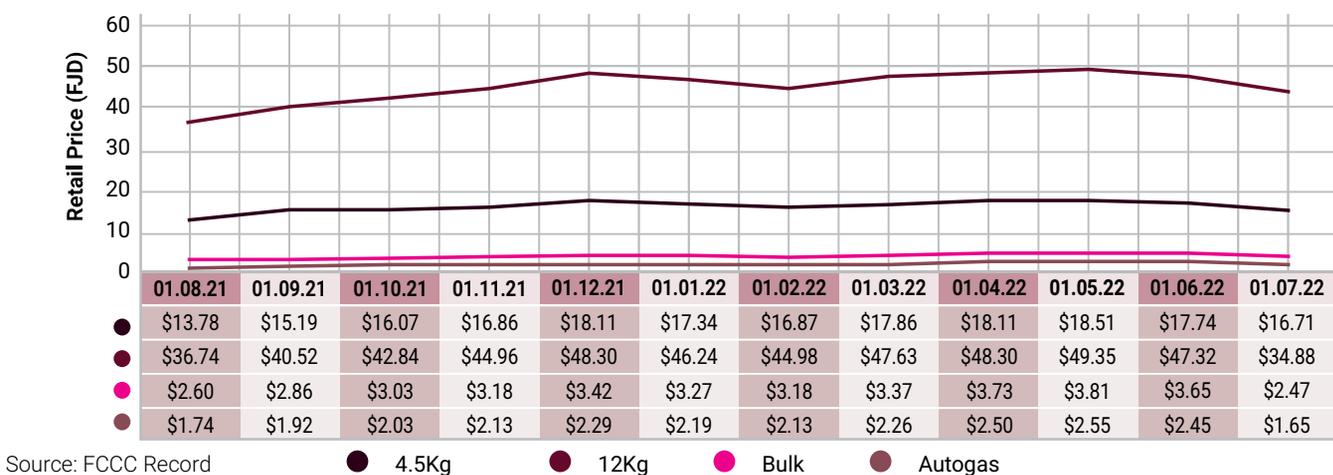
The "monthly restatements" of fuel prices are based on a one-month lag period average of Means of Platts Singapore ("MOPS"), the exchange rate and international freight charges. There has been significant movement in the international crude oil prices and refined product prices during the financial period August 2021 to July 2022. The fuel price changes are depicted in Figure 1.0.



**Retail Price of Petroleum Products**



**Retail Price of LPG Products**



## Quarterly Price Restatements – Pharmaceutical Product

The Pharmaceutical sector continues to be regulated on a quarterly price restatement as FCCC has effectively ensured that domestic price movement is aligned and the symmetrical movements corresponding to world market prices through this pricing mechanism.

In the period August 2021 – July 2022, a total of four reviews were carried out based on the tender process of which traders were invited to make submission for the review of regulated pharmaceutical products. The pricing methodology adopted by FCCC is based on the tender process whereby the most efficient supplier determines the prices and is valid for a quarter. Upon the computation of the in-store costs, analysis was performed to determine the efficiency of shipments and adoption of a uniform price through comparisons with costs of products with identical pack sizes in the same product category by different suppliers.

## Price Control Order Reviews

FCCC exists to enforce several general and specific regulatory regimes. In FCCC's effort to ensure that it improve its regulatory role, FCCC has carried out reviews of the existing industry and price control items and services. For the period 2021/2022, FCCC has successfully

reviewed ten (10) price control orders which includes five service reviews and five industry reviews. These included (1) Pharmaceutical Products, (2) Postal Services, (3) Sugar, and (4) Interconnection Services (5) Cement, (6) LPG Products, (7) Electricity, and (8) Reinforcement Steel Rods (9) Mechanical Harvester and (10) Sugarcane cartage lorry.

The study included assessment on the current level of competition, the social and economic environment, and policies which included views and suggestions of the stakeholders and users of such products/services in Fiji. Generally, it was noted that there is ineffective competition in the product and geographical market and the markets at the wholesale level are controlled by a single player or few players which may lead to tacit collusion. These products/services are also a factor market for a wide range of product markets in Fiji. Therefore, price regulation will ensure reasonable and fair pricing, with a trickledown effect on the product market prices. Recommendations were made as to whether the Minister should declare that the specified goods or services should be placed under regulatory control or that an existing order should be amended or revoked. The ten (10) price control orders were successfully placed under regulation for a further three (3) years.

Table 1 provides the price control order issued for the year. ▼

Reviewed Order	Effective Date	Expiry Date
FCCC (Price Control) (Pharmaceutical Product Prices) Order 2021	30 September 2021	29 September 2024
FCCC (Control of Prices for Postal Services) Order 2021	15 September 2021	15 September 2024
FCCC (Price Control) (Supply of Sugar) (Ex-factory) Order 2021	30 September 2021	29 September 2024
FCCC (Control of Prices for Interconnection Services Rates) Order 2021	22 November 2021	22 November 2024

Reviewed Order	Effective Date	Expiry Date
FCCC (Control of Prices for Supply of Cement Product) Order 2021	22 June 2021	22 June 2024
FCCC (Control of Prices for the Supply of LPG Products) Order 2021	13 July 2021	13 July 2024
FCCC (Control of Prices for Retail Supply of Electricity and Ancillary Services) Order 2022	25 May 2022	25 May 2025
FCCC (Control of Prices for Reinforcement Steel Rods) Order 2021	14 November 2021	14 November 2024
FCCC (Control of Prices for Sugar Cane Cartage Lorry Services from Rakiraki to Rarawai) Order 2022	16 June 2022	16 June 2025
FCCC (Control of Prices for Mechanical Harvesting Services for Sugar Cane) Order 2022	01 August 2022	01 August 2025





## INDUSTRY REVIEWS

### Ports Sector

#### Review of Tug Service Charges – South Sea Towage Limited (SSTL)

In 2021, FCCC formally received a submission from Fiji Ports Corporation Limited (FPCL) on behalf of SSTL Ltd, for the review of Tug Service Charges in Fiji. The Final Authorisation on Tug Services Charges and Commissions for Fiji Ports Corporation Limited was issued on 16 March 2021. A comprehensive review of the cost structure, operations, and process of SSTL Tug services was carried out, taking into consideration the challenges faced due to external pressure imposed by global economic status. The review was completed, and appropriate recommendations were made.

### Sugar Sector

#### Review of Price for Fiji Sugar Corporation (FSC) Bulk Pack Sugar and “Sugars of Fiji” Products in Fiji

FCCC conducted review of Fiji Sugar Corporation Bulk Pack Sugar and “Sugars of Fiji” Products with information provided by FSC and submissions received through the consultation process. The Interim Authorisation on Prices for Fiji Sugar Corporation (FSC) Bulk Pack Sugar and “Sugars of Fiji” Products in Fiji was issued on 19 January 2022 which remained in force until 20 July 2022.

Following the lapse of six months the FCCC carried out FSC six month domestic sugar price review with the information provided by FSC. Therefore, the current Interim Authorisation, Authorised Prices for Fiji Sugar Corporation (FSC)

Bulk Pack and “Sugars of Fiji” Products in Fiji was maintained for a further six (6) months due to the current economic situation of the country and the ongoing impact of COVID 19 and the global effects of the War in Ukraine on consumers.

## Construction Sector

### Review of Cement Prices

During the year, the FCCC received two (2) submissions from the cement manufacturer, namely Pacific Cement Limited, for the local cement wholesale prices. The relevance of this review is in line with the Fijian Government National Development plan of building a sustainable and globally competitive manufacturing and commerce industries with policy to stimulate growth of domestic trading sector.

A comprehensive review of the cost structure and operations was carried out for the cement company and detailed financial and non-financial information was evaluated for the purpose of

ascertaining the proposed increase and the associated cost components. The review into the wholesale cement pricing was completed and appropriate recommendations were made.

### Review of Steel Prices

The FCCC received two submissions from the steel manufacturers and considering that the building and construction sector has grown overtime and noting the importance of rebar that is used as a core input in building and construction sector, as such it was important for FCCC to ensure that a fair price was determined that would ensure both manufacturers earned a fair return for business continuity purpose and that the construction sector did not face a price shock in the Fijian economy as it is currently recovering from the impacts of COVID-19 pandemic.

## Transport Sector

**Table 2.0: Price Control Order Review ▼**

Activity	Summary
Review of Bus fare	FCCC received its first submission in October 2021. All the data was entered into the Bus Industry Cost Index (BICI) model and determined the weightings for the cost items and the inflator rates. The BICI model analysis, using the Fuel and ROC Passthrough Methodology, has determined the indicative prices. A 36.3% increase in all stages were determined by the model. New bus fares were effective from 13 May 2022. However, following the Government budget announcement on 15 July 2022 amendments were made to the final authorization for bus fares where a 10% discount was approved across the board for all fares commencing on 01 August 2022.

Activity	Summary
Review of Taxi fare	FCCC made a call for submissions to the taxi industry stakeholders on 19 May 2022. Following the receipt of submission and extensive consultation with stakeholders the cost index model was applied to determine the taxi fares. The flag fall increased from \$1.50 to \$2.00 for daytime and \$2.00 to \$3.00 for night-time. The waiting charge increased from \$0.10 to \$0.18 per minute. The taxi fares were approved as an interim authorization effective from 15 July 2022.
Review of Minibus fare	FCCC made a call for submission on 13 May 2022, prior to those operators made requests and submitted their submissions. Considering the increasing cost and high demand from the operators for price increase a call for submission was expedited. Minibus Industry Cost Index Model (MICI) was applied to determine the fares, this model is similar to the bus industry cost index model. Fares were authorized for those routes which submitted their submissions. Minibus fares are approved as an interim authorization effective from 08 August 2022. The interim authorization expires on 31 March 2023.
Review of Sugarcane Cartage from Rakiraki to Rarawai Mill	FCCC received request from the FSC to review the rates of carting in June 2022. The cost index model was applied to determine the new rates. The increase in fuel was passed on. The authorization came into effect from 20 June 2022.
Review of Lorry Rates from Ba Mill to Lautoka Mill	FCCC carried out a competition assessment on the carting from Ba to Lautoka in July 2022. The outcome of the assessment was not to regulate but let the market forces set its rate. The initiative was made by the farmers to regulate the cartage rates.



# TECHNICAL REGULATIONS

*FCCC as the regulator for the purposes of carrying out the functions assigned or transferred to the regulator by the Electricity Act.*

FCCC is empowered to make regulations, grant licences, and take necessary actions to ensure the industry's efficient operation. FCCC oversees licensing for all electrical installation and generation services, including Solar Grid and Off-Grid Systems, Standalone Generator Systems, and Back-up Generator Systems.

FCCC also provides guidance on effective and safe electrical installations in line with AS/

NZS3000 Standards.

All methods power generation system must have Electrical license for Installation and Power Generation, which has a validity of 5 years. The most common application received are for Backup Generator Systems, Grid Connect Solar Systems, Off Grid Solar Systems and Off Grid Diesel Systems. All applications made are reviewed and site inspections are carried out prior to issuing any licence.

Table 3.0: Type of Generation and No. of Licences Issued

	Type of Generation	No. of Licences Issued
2021	Grid Connect Solar	27 Licences
	Backup Generator	44 Licences
	Off-Grid Diesel	7 Licences
	<b>Total</b>	<b>78 Licences</b>
2022	Grid Connect Solar	14 Licences
	Backup Generator	38 Licences
	Off-Grid Diesel	1 Licence
	<b>Total</b>	<b>53 Licences</b>



# PRICE CONTROL AND MONITORING

The Price Control and Monitoring Department (PCM) is an integral part of FCCC, tasked to administer price control, rent control and monitor compliance with Part 5 of FCCC Act 2010 in accordance with the five goals outlined in the FCCC Five-Year Strategic Plan (2018-2023).

In summary, some of the key roles include the periodic review of prices-controlled items and where necessary issue price control orders, determinations, and authorisation through the approval of the Minister.

This is mandated under FCCC Strategic Goals 1 and 3 to receive and deliberate on consumer complaints, conduct routine price inspections throughout Fiji, conduct market surveillance

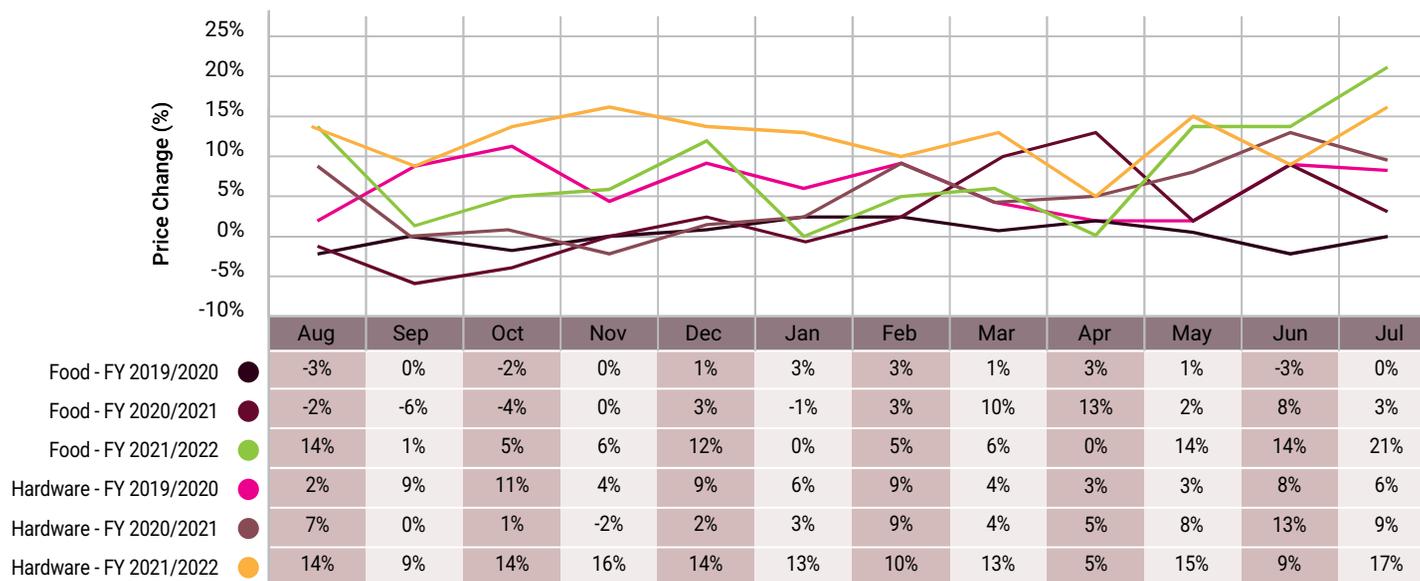
exercises including investigations, awareness and studies to evaluate existing price control or propose price control in markets where competition has weakened or lessened.

## Price Control Section

For the period, a total of 2724 product price reviews were carried out reflecting the continuous movement in prices of products brought about by the impact of COVID-19 as well as the Russian/ Ukraine war which disrupted the supply chain.

The summary indicated that the review submissions increase by 50% for the year. The average movement in price is shown in Figure 3.

### Average Price Movement for Food and Hardware FY 2019/2020 & 2021/2022



Source: FCCC Record

## Monitoring Section

The Monitoring section is tasked with conducting routine and schedule price inspections in Fiji, conduct market surveillance, investigations and awareness sessions, receive and deliberate on consumer complaints relating to any provisions of the FCCC Act 2010.

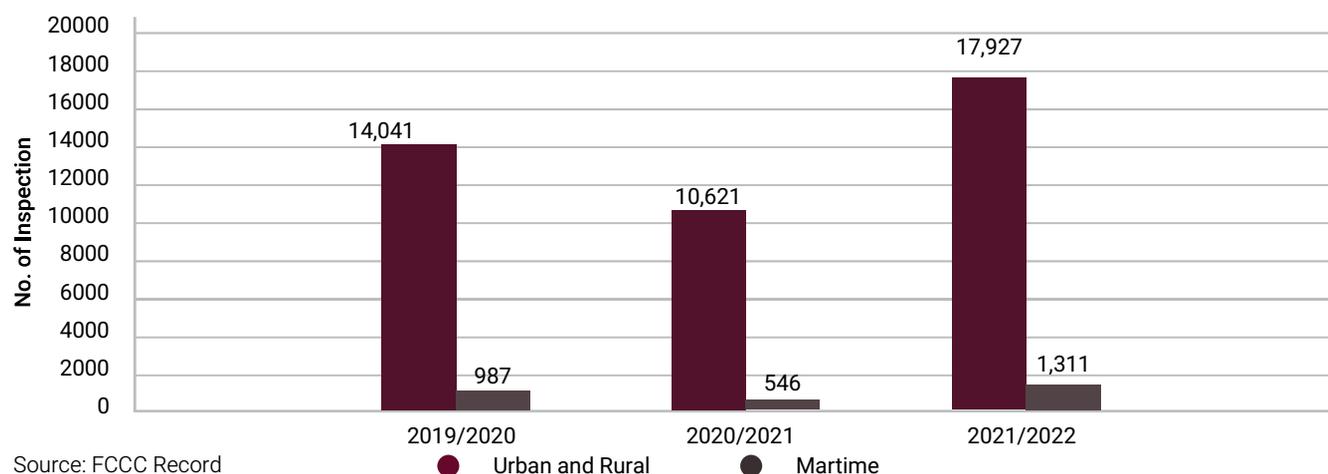
The Monitoring teams have been working tirelessly over several months to lay the groundwork for

this by raising awareness among traders and educating them on their responsibilities in terms of what they need to do to pass down the benefits of the tax and duty reductions to the customers

## Trade Inspections

The summary inspection for the past 3 years is shown below.

### Annual Trader Inspections for the Period 2019/2020 - 2021/2022



Source: FCCC Record

Figure 4.0: Summary of Price Inspections for the Period 2019/2020 - 2021-2022

## Spot Checks

Spot checks were carried out in every quarter in conjunction with the review of prices for petroleum and LPG products and the level of compliance is also shown. This is summarised in graphs on the next page.



Figure 5.0: Summary of Fuel & LPG Spot Checks

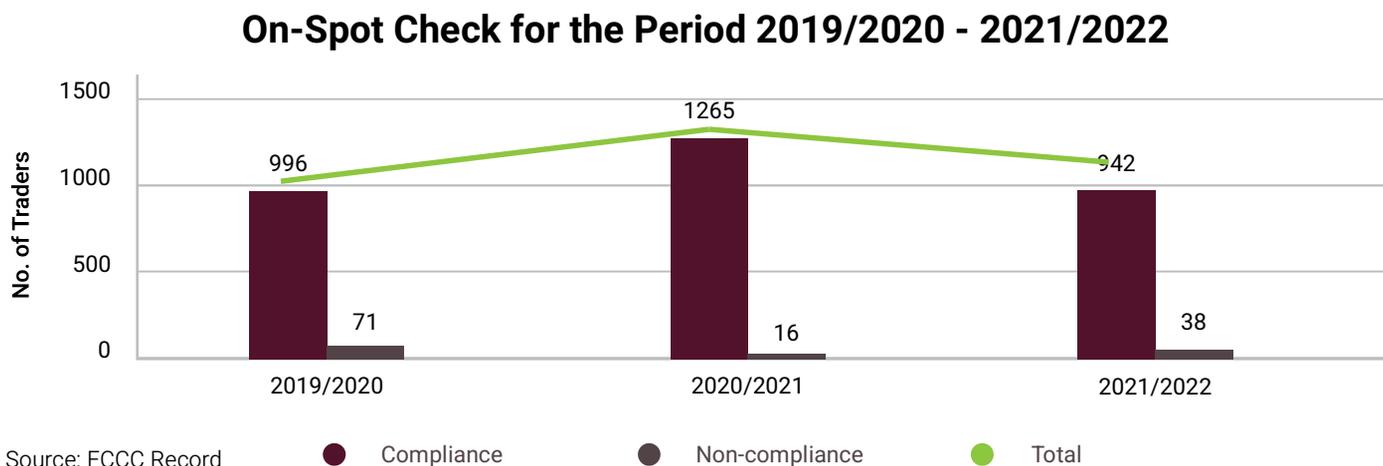
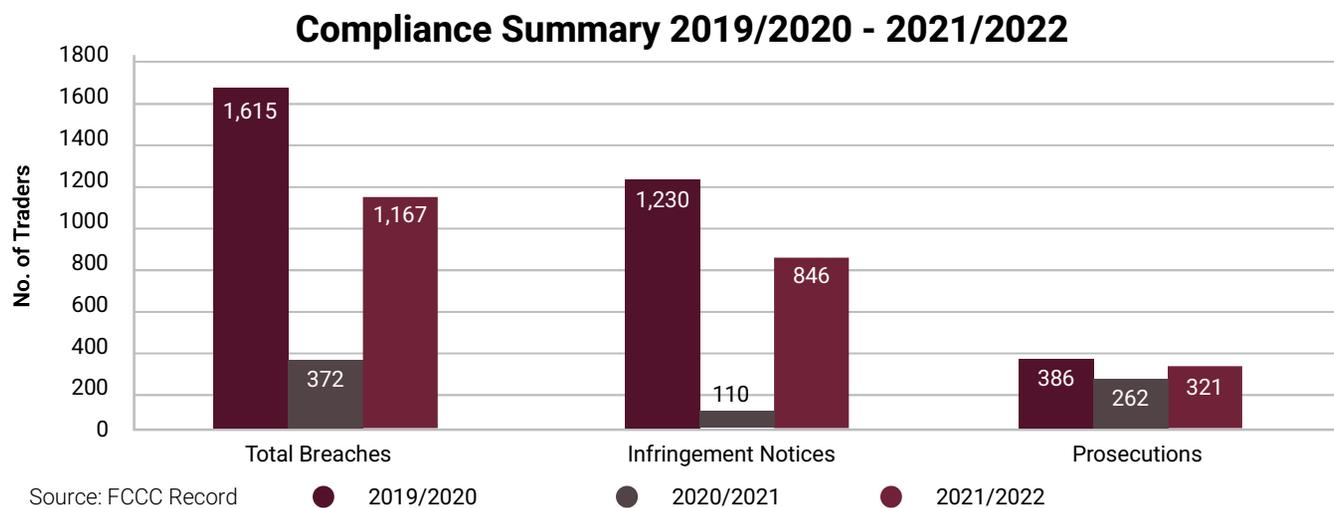


Figure 6.0: Summary of Breaches and Remedial action conducted



## Market Surveillance

Market surveillances were scheduled on targeted approach the items listed under the duty reduction categories as listed in the 2021-2022 National Budget, the selected 6 categories and the zero-rated VAT items introduced in the Revised 2021-22 Budget address issued on 24 March 2022. This is done to ensure that the consumers benefit from the implemented policies.

The FCCC (Budget Amendment) Act 2020 Section 53A, which came in force in 01 August 2020 authorises FCCC to ensure Fijian consumers also benefit, in terms of working and guiding the

private sector to pass on the benefits of more than 1,942 categories of duty reduction and monitoring the impact of reductions.

In the first quarter of the financial year, the exercise was extended to sanitizing products being available in stock for sale during the alert period of the COVID-19 pandemic. The exercise was undertaken with urgency as FCCC wanted to ensure that no business tries to unscrupulously seek to benefit from the pandemic shopping rush by engaging in price gouging and for shoppers against panic buying. Furthermore, the prices in supermarkets were periodically checked for any anti-competitive conduct.



## Awareness and Advocacy

FCCC uses the means of press releases, talk-back shows, community and school awareness, periodic articles, attendance to local government

sanctioned forums, sponsored outreach programs, trader workshops, social media postings and face to face encounters to promote and advocate on FCCC's role to both pre-selected audiences and the public at large.

### Summary of Awareness Conducted 2021/2022

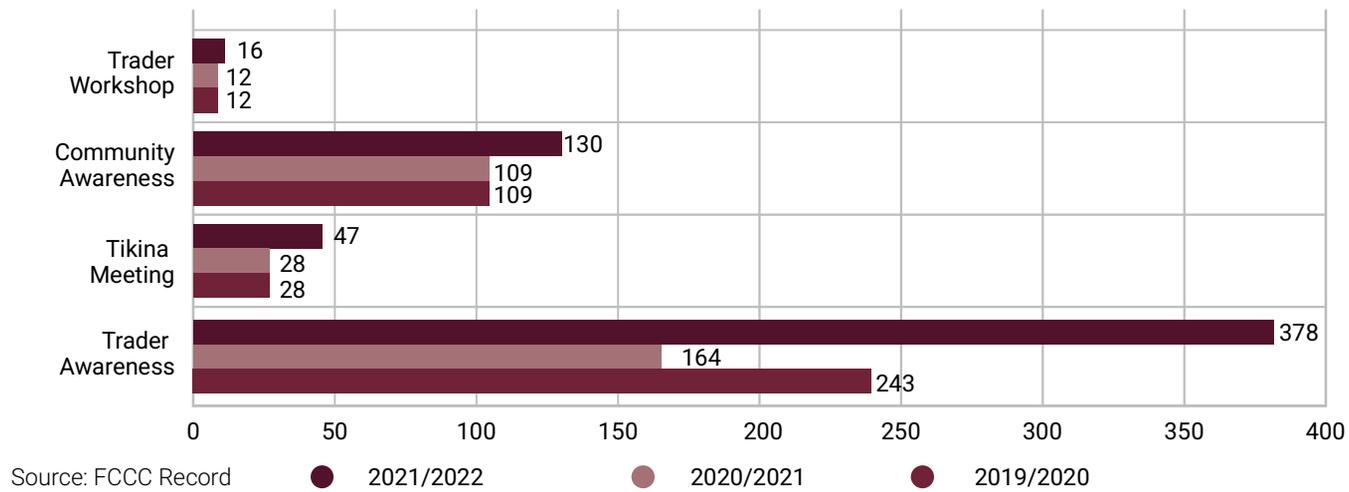


Figure 7.0: Summary of Awareness for the past 3 years

## Rents Section

The Rent Section is tasked to enforce rent control provisions of the FCCC Act 2010. This includes Sections 45, 46, 47, 56 and Part 7 of the same Act. All residential and ground leases outside the Native Lands Trust Act, Cap. 134, Banaban Lands Act 1965 and the Rotuma Lands Act 1959, are captured under the Rents Section of FCCC. In the period under review, much of the work carried out by this section involves the enforcement of the Fijian Competition and Consumer Commission (Rent Increase Restriction on Residential and Ground Rent) Order, 2020.

The Order basically is an extension of the rent

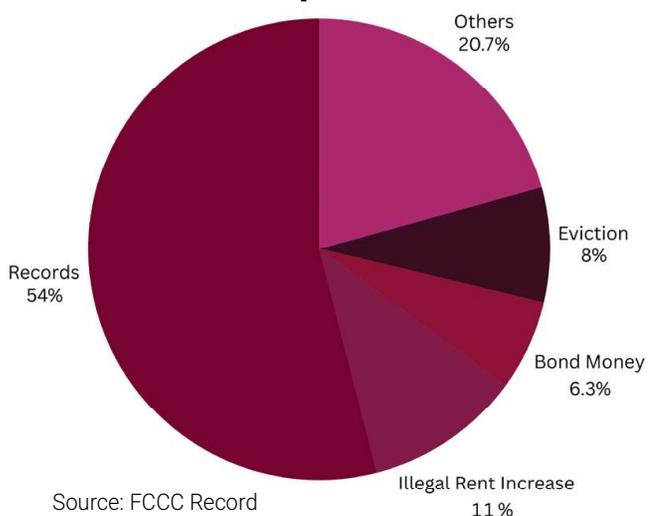
freeze dating back to 2 March 2007 when the Fijian government braced itself for the adverse impact of the global financial crisis that was expected to hit our shores back then.

### Rent Complaints

FCCC has recorded a total of 1540 complaints a decrease by 3.18% from the last financial year.

The highest complaints received during the period relates to the non-issuance of tenancy agreements and rent receipts which account to 54% of the complaints received, on other issues at 20.7%, illegal rent increase at 11%, unlawful eviction at 8% and 6.3% on non-refund of bond matters.

### Nature of Complaint FY2021/2022



### Rents Complaints Summary for the Period 2019/2020 - 2021/2022

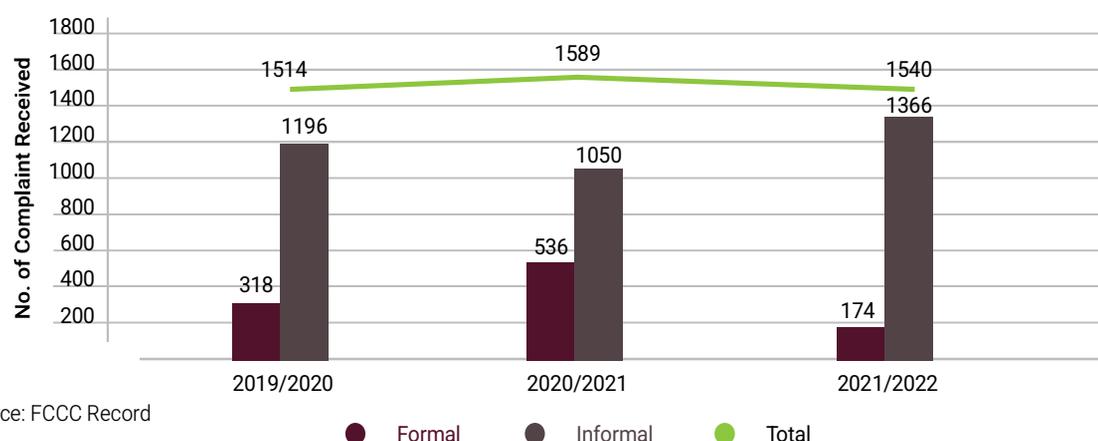


Figure 8.0: Nature of Complaint FY2021/2022

Figure 9.0: Trend of Rent Complaints Received since 2016.

## Monitoring of Government Policy

### Zero Rated Enforcement Activities

The Fijian Government through the 2021/2022 mini-budgetary announcement introduced changes to the VAT charges as part of policy(s) for specific sectors with an overall objective of encouraging growth particularly revitalising the Fijian economy as part of post COVID-19 recovery. While the Government maintain its stance for the sectors, the measures for the general consumers are included ranging from anticipation that stakeholders and businesses ethically conduct business to ensure that the reduction in VAT is passed on to consumers.

Since the second half of 2021, inflationary pressures have been rising due to higher import prices and freight costs. With the entire world facing supply chain issues as pent-up demand has outpaced supply, with supply chains further impacted by the Russia-Ukraine conflict.

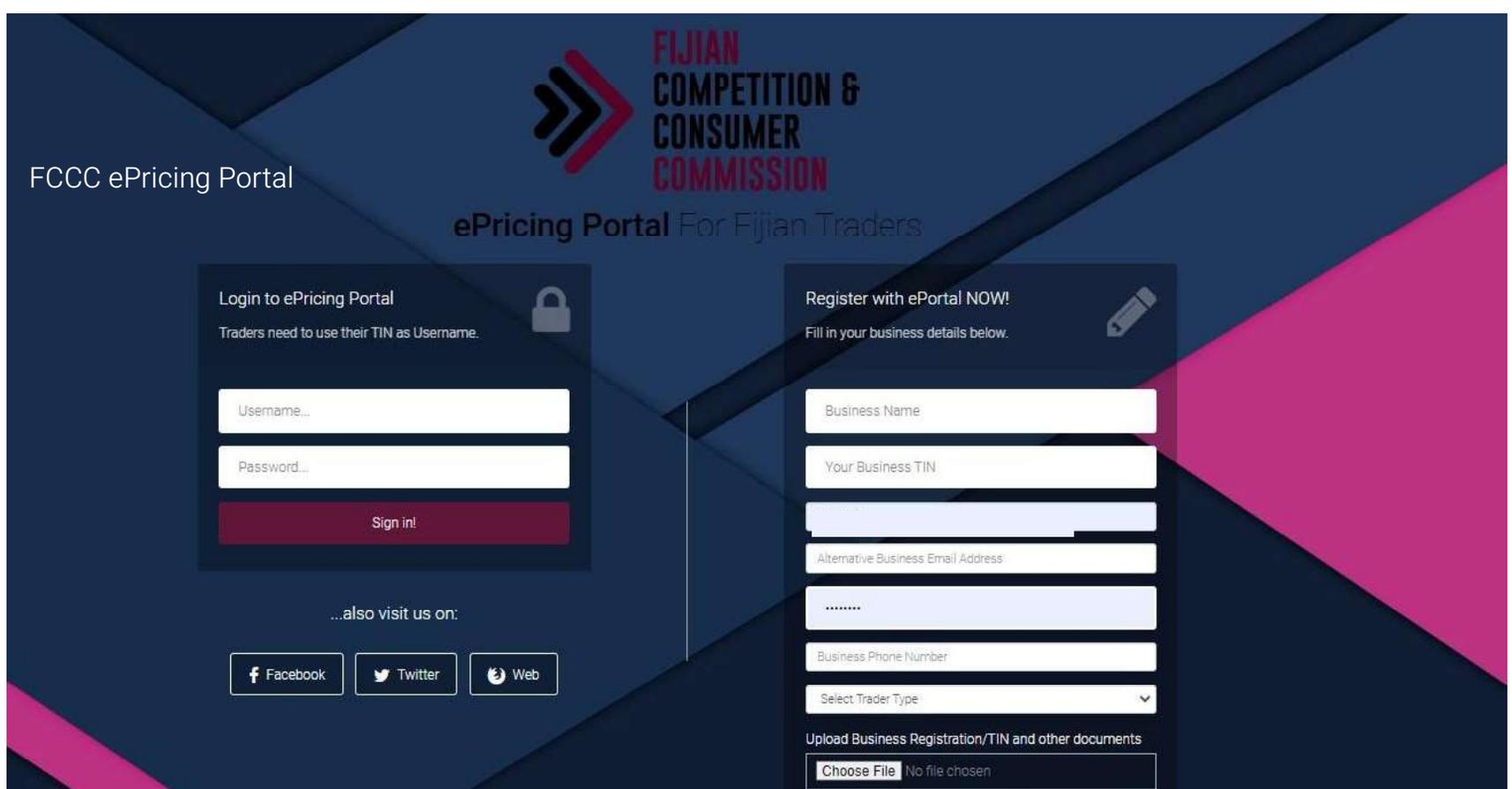
Crude oil prices have already surpassed US\$100 per barrel and wheat and other commodity prices have been rising rapidly. Domestic prices have risen significantly, reflecting the international price developments with Fiji being a price-taker for all imported products.

Table 4.0: List of Zero-rated VAT Products

Zero-Rated VAT Products	
1. Baby Milk	2. Onions and shallots
3. Canned Fish	4. Potatoes
5. Cooking Gas	6. Powdered Milk
7. Cooking Oil	8. Rice
9. Dhal	10. Salt
11. Flour	12. Sanitary Pads
13. Garlic	14. Soap
15. Kerosene	16. Soap Powder & detergents
17. Liquid Milk	18. Sugar
19. Tea	20. Toilet Paper
21. Toothpaste	

From the 21 essential items for consumer needs, 16 categories are price controlled while 5 categories deemed essential but non-controlled which include Toilet Paper, Toothpaste, Sanitary Pads, Soap Powder & detergents, and Laundry Powder.

Based on the surveys for the divisions, national averages has been compiled to trend the price changes since the implementation of the VAT Policy effective from 1st April 2022.



### Toilet Paper - VAT Impact for March to July 2022

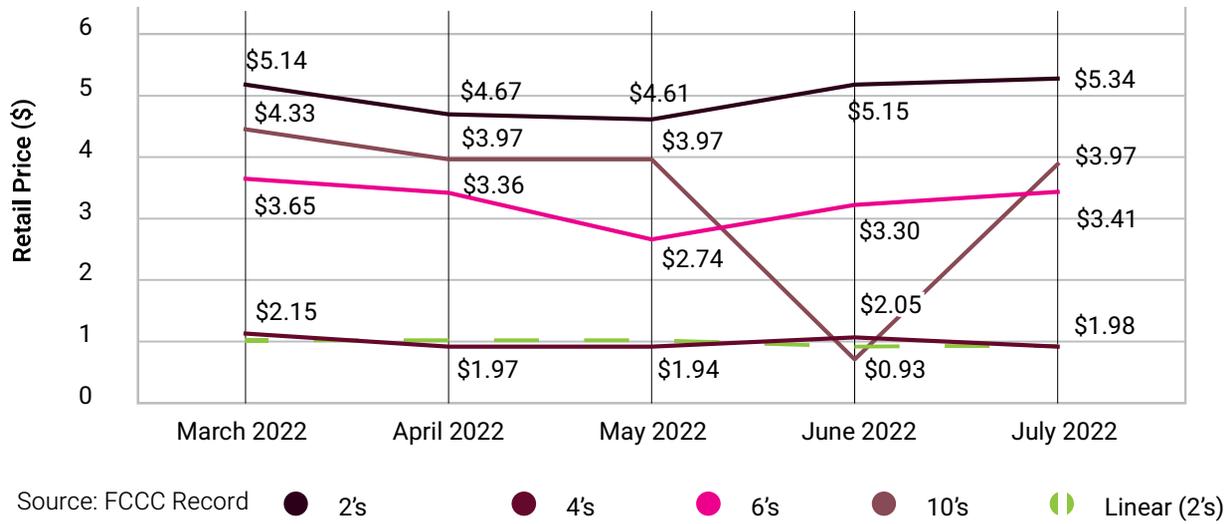


Figure 10: Toilet Paper - VAT Impact for March to July 2022

### Toothpaste - VAT Impact for March to July 2022

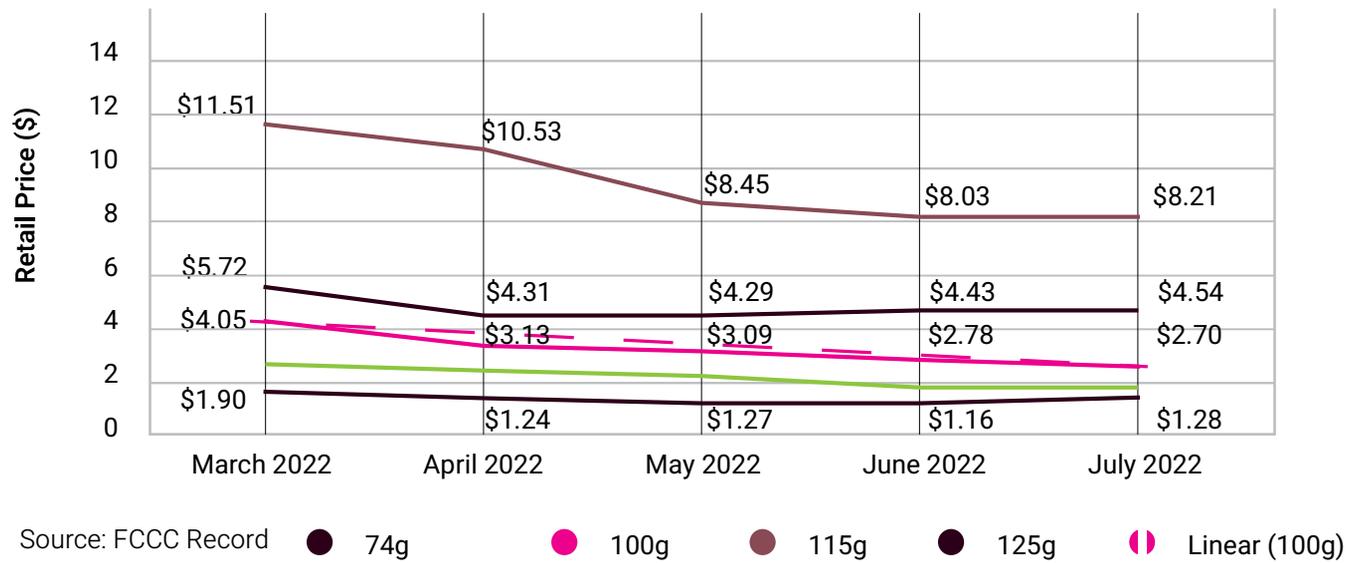


Figure 11: Toothpaste - VAT Impact for March to July 2022

### Sanitary Pads - VAT Impact for March to July 2022

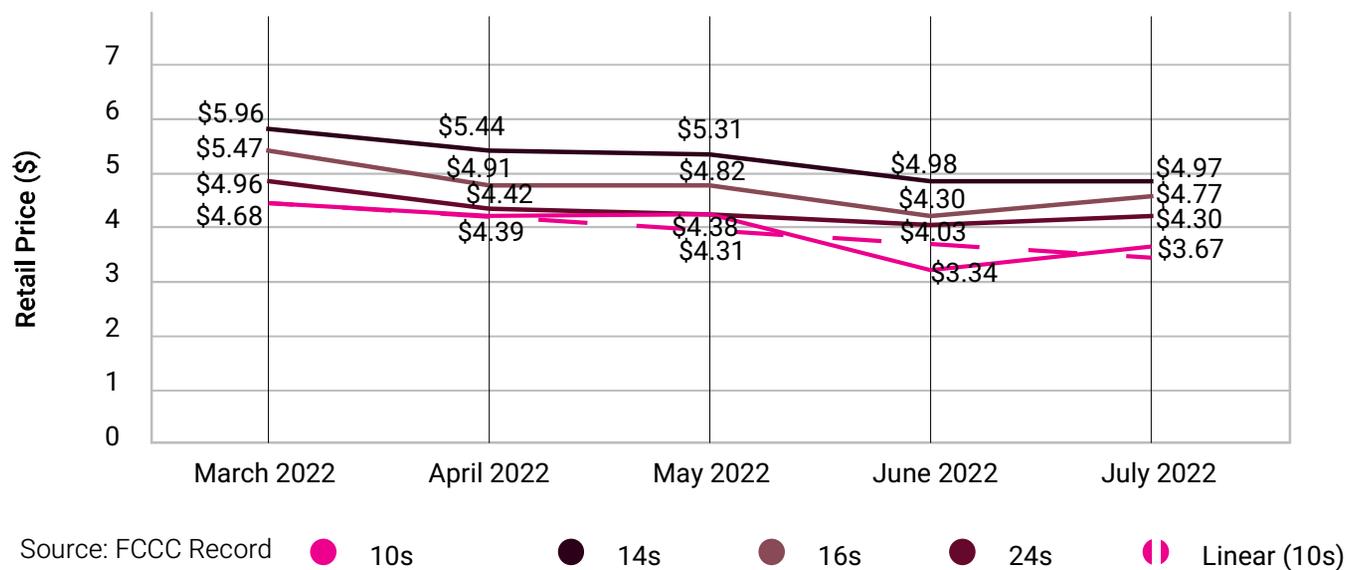
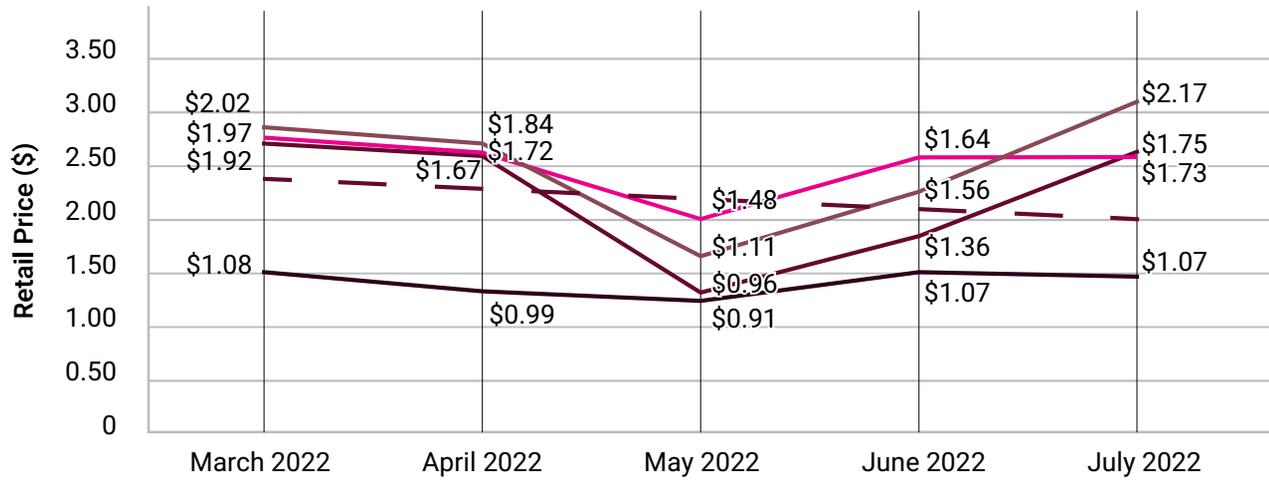


Figure 12: Sanitary Pads - VAT Impact for March to July 2022

## Bathing Soap/Laundry Bar - VAT Impact for March to July 2022



Source: FCCC Record ● 75g ● 80g ● 100g ● 125g ● Linear (125s)

Figure 13: Bathing Soap/Laundry Bar - VAT Impact for March to July 2022

### Research

During the financial year, a Memorandum of Understanding (MOU) was signed with Asia-Pacific Applied Economic Association (APAEA) for the development of capacity for research and policy formulation, enhancement, and publication of FCCC's research papers in internationally respected journals.





# COMPETITION AND COMPLIANCE

The function of the Competition and Compliance Department is to ensure that all the consumer complaints or cases, pertaining to unfair trade practices or restrictive trade practices are received, assessed, and investigated by the department under Parts Three, Four, Six, Seven or Eight of the FCCC Act 2010, as relevant.

The Department also conducted investigation on certain traders such as Pharmacies and other stakeholders on Price Gouging. Due to the COVID-19 pandemic in Fiji, certain traders inflated the prices of items to take advantage of the situation. There are certain cases before the court in relation to Price Gouging. The team has started the second phase of investigation on price gouging.

The Department conducted investigations on hairdressers in Fiji. Due to COVID 19 restriction and hairdressers being high-risk business, certain traders are charging appointment fees and other additional charges from the consumers. The team in Central, Western and Northern Division has conducted 95 inspections of which 8 traders were found charging appointment fees and other charges. Requisition for Information notice has been served as well as response letters has been served. Seven (7) traders have provided response and the team has analyzed the responses and have made certain recommendations. Two (2) matters are still under investigations.

Furthermore, FCCC also started investigations on agents (Mycash and Mpaisa) and other traders

who are providing assistance to consumers on the Government assistance of \$360.00. The investigation started off on 11 October 2021 for Central and Western Division and will be done in two phases. The first round of investigation will be collecting data through inspections and issuing "Requisition for Information Notice". Two traders in Central Division have been identified that may have breached the FCCC Act 2010 by charging more than what is required by Digicel and Vodafone. The possible breach would be Section 76 [Unconscionable Conduct] of FCCC Act 2010. On 30 October 2021 a trader has been caution interviewed for the breach in Central Division while for others, further investigation is pending.

## **Market Study**

### **Pharmacy Market Study**

In 2021/2022 financial year, FCCC initiated a market study into the pharmacy sector. This study was focus driven as a result of COVID 19 pandemic which hit Fiji in March 2020, where much attention was shifted on the healthcare sector, and importance of effective healthcare infrastructure in the broadest sense. Fiji's success in containing the Covid-19 Pandemic gave the country breathing space not available in other countries to reform elements of our healthcare system to improve its effectiveness.

The focus of the market study was to review regulatory framework of pharmacy sector,

with a view to promoting consumer welfare by enhancing competition and regulatory reform. As part of the market study, the FCCC looked at the level of pharmacy access to Fijian consumers, the effectiveness of regulatory measures which are in-place, accessibility to high-quality medicinal products, the prices of medicinal products in Fiji, and implementation of mechanism to liberalize the sector.

The market study further focused on assessing market competition between pharmacies in achieving lower-cost and higher-quality services for Fijian consumers; identifying the competition tools which could achieve greater competition within wholesale medicinal product markets; identifying policy measures which could expand consumer access to pharmacy services and extend the geographic spread of pharmacies across Fiji; explored options for public-private partnerships in the market for pharmacy services which would promote improved access to pharmacy services while strengthening the financial sustainability of the sector; ensuring consumer safety and product quality, infrastructure for digitization of pharmacy services- for consumer ease, and that Fiji's pharmacy sector regulation is in line with the international best practices while tailoring the regulatory regime to domestic circumstance.

## **Mergers And Acquisition**

### **Merger Of Biscuit Company Of (Fiji) Pte Limited (BCF) And Bakery Company (Fiji) Pte Limited (BKY)**

On 2 November 2021, an application from FMF Foods Limited (FMF) was received seeking approval to carry out internal restructuring of its two (2) subsidiaries, by merging them under one roof. FMF submitted that it intended to merge Biscuit Company of (Fiji) Pte Limited (BCF) with Bakery Company (Fiji) Pte Limited (BKY).

BCF and BKY were two respective companies purely established by FMF to undertake manufacturing of various categories of Biscuits in Fiji, both for the local market and international market. Both companies were wholly owned subsidiaries of FMF. FMF, by way of an application, proposed to carry out an internal restructuring

by merging BCF with BKY, considering that both these companies are operating the same line of business and the merger will result in efficiencies in operation as it would reduce the overall operating cost.

The application by FMF for the merger of two of its subsidiaries within Fiji was made for the purposes of ensuring compliance with section 72 of the FCCC Act 2010.

The assessment undertaken pursuant to the FCCC Act 2010 outlined that the proposed merger would not create or result in dominance of the going company post-merger. The assessment outlined that the proposed merger of two (2) subsidiaries would not result in any consumer harm, and it would not in any way affect or lessen competition in the Fijian market in the event FCCC grants its approval. As such, a clearance was granted for the merger of the two entities.

### **Acquisition Of Digicel Pacific Limited (Digicel Pacific) By Telstra Corporation Limited (Telstra)**

On 25 October 2021, FCCC received a joint application from Telstra Corporation Limited (Telstra) and Digicel Fiji, outlining that they have entered into an agreement to acquire 100% of the shares in Digicel Pacific Limited (Digicel Pacific) (the Proposed Transaction).

The proposed acquisition was anticipated to affect the market in Fiji by virtue of Digicel Pacific's ownership of Digicel Fiji. By virtue of this, the transaction affected a substantial market for goods and services in Fiji and was eligible for review under the FCCC Act 2010.

As part of the assessment, the FCCC considered the "upstream" and "downstream" markets and looked at how the proposed acquisition would affect the market for international cable capacity access. This essentially represented the purchase of capacity on the Southern Cross network, which was necessary to compete effectively in the downstream market.

The most plausible theories of harm in this market were considered during assessment, including how Telstra could potentially use their market power in the upstream market to affect

the ability of Digicel's competitors to compete.

After lengthy deliberation on the assessment findings, it was concluded that a conditional approval be granted to the parties for the proposed acquisition. The conditional approval enshrined the undertaking from acquiring party to FCCC, outlining how the party would remedy the concerns (if any) post acquisition. The FCCC continues to monitor the market to ensure that parties do not engage in any anti-competitive conducts.

## Compliance

The Department had received, registered, and investigated a total of 712 formal and 891 informal consumer related complaints for 2021/2022 financial year. A total of 429 formal

complaints were received by the Head Office, 248 cases were received in Western region and 35 cases were received in Northern region. From the 712 formal cases registered with FCCC, 12 cases have proceeded for litigation purposes and 80 resolutions were reached, whilst 620 cases remain under investigations.

These are cases that FCCC is mandated to receive and investigate pursuant to Part Seven and Part Eight of FCCC Act 2010. FCCC receives complaints relating to unfair trade practices by businesses. This graph represents the number of complaints for the period 2021/2022.

The below summarizes the number of cases received as per each provision of FCCC Act 2010.

### Summary of Compliance Cases - 2021-2022

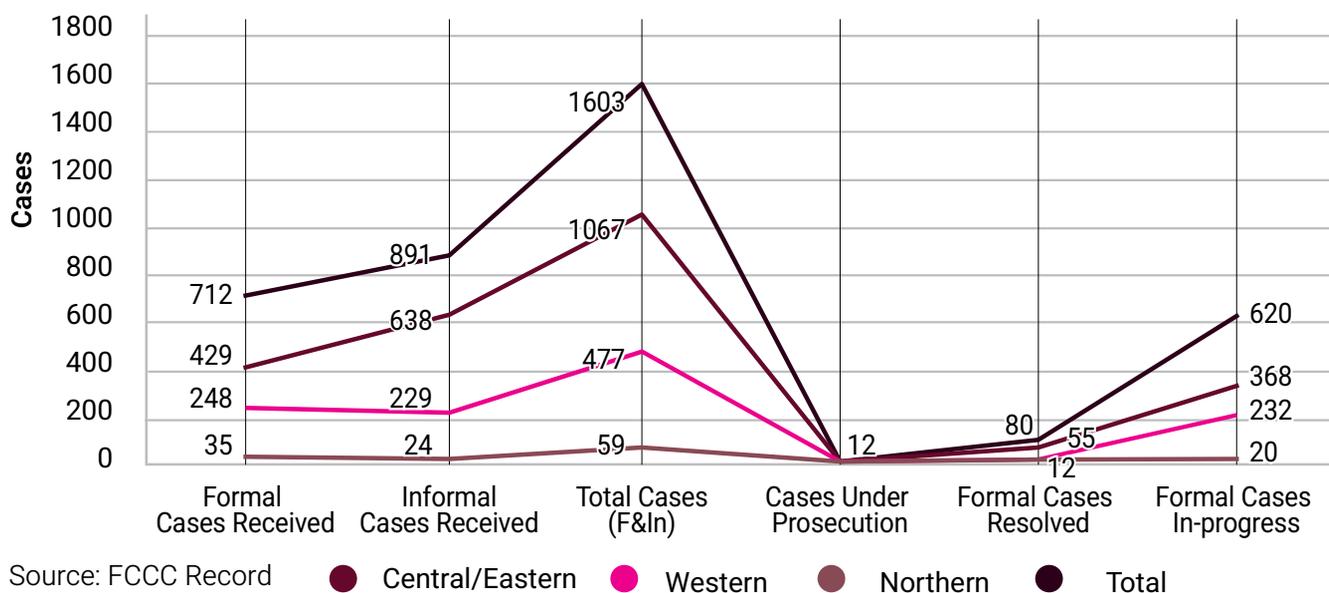
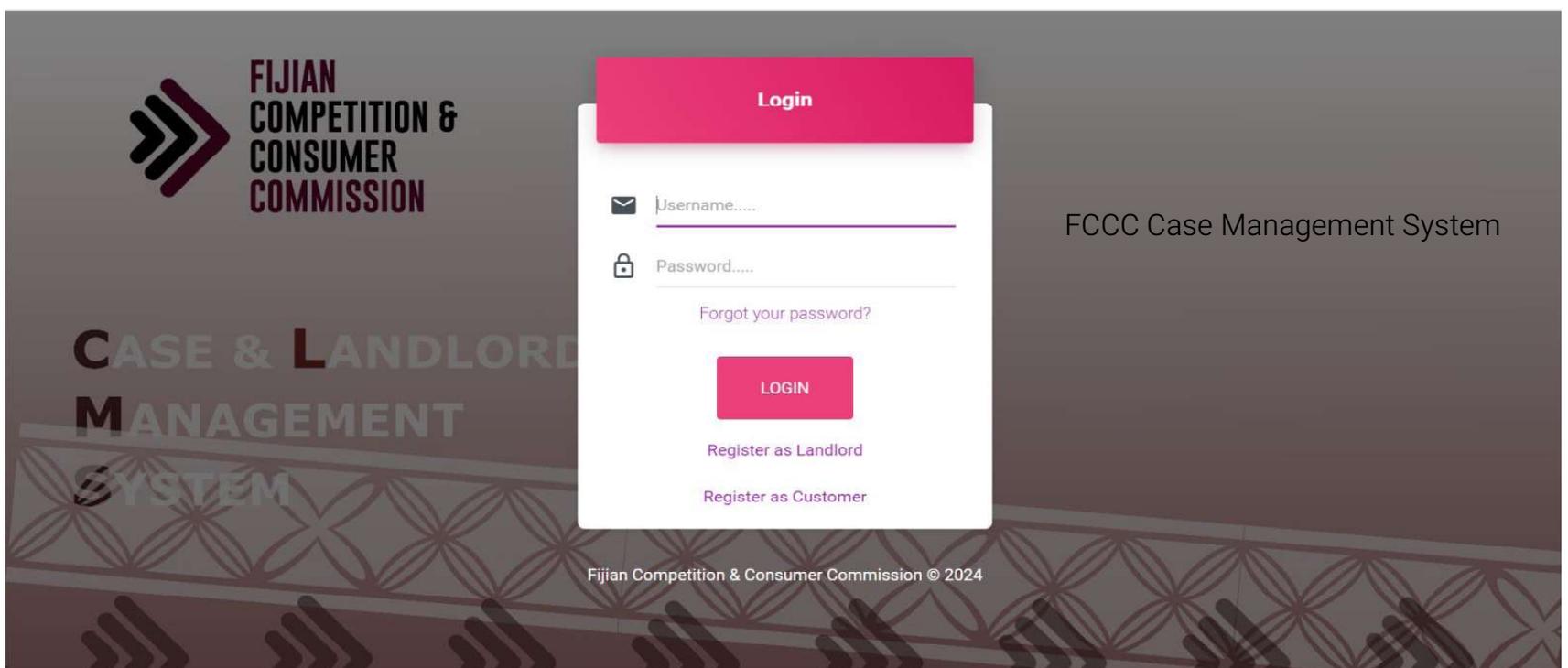


Figure 14: Summary of Compliance Cases





# LEGAL, RISK MANAGEMENT, AND GOVERNANCE

The Legal, Risk Management, and Governance department is responsible for all litigation matters against and by the FCCC. The department ensures legal representation in all such cases. It provides sound legal advice to FCCC concerning provisions in FCCC Act 2010, Price Control Orders, Self-Regulating Guidelines (SRG's) and other relevant laws. Legislative drafting in reviewing Orders, SRGs and other laws is a key role of the department.

Additionally, the department is responsible for identifying and mitigating risk within FCCC and ensures good governance is always practiced. Moreover, the Department assists the other departments in ensuring that the decisions made are not in conflict with other relevant laws.

The department supports other departments by providing legal opinions on issues pertaining to breaches of provisions of the FCCC Act 2010. The Department vets external correspondence to ensure there are no legal implications in letters written to traders, stakeholders, respondents, and any other external party.

The Department further drafts and vets Contracts, Memorandum of Understanding (MoU), and

Undertakings as well as conducts training for the benefit of other departments.

The Fijian Competition and Consumer Commission (FCCC) has appointed David Edward Solvalu as its Chief Legal Counsel (CLC). Mr. Solvalu's appointment as our first-ever Chief Legal Counsel will strengthen our legal team and comes at a time when we are reviewing key aspects of our work.

Apart from this, FCCC has law firms in its panel of approved external lawyers, who are utilised when the need arises.

## Litigation Matters

During the financial year, there was a disruption to Court due to the Covid-19 pandemic, resulting in matters being vacated and fresh dates assigned. Given the prosecutorial powers pursuant to section 131 of the FCCC Act 2010, there are a total of 489 cases before the Court as of 31 July 2022.

Table 5.0: Reflects a summary of case files in the Legal Department as of 31 July 2022:

Table 5.0: Summary of case files as of 31 July 2022

Division	Pending Cases	Pending Cases - Outsourced	Files Closed	Charges Filed	Total Value of Fines imposed
Central	389	33	34	136	\$102,300
West	77	0	29	27	\$13,592
Northern	26	0	8	6	\$28,900
<b>Total</b>	<b>492</b>	<b>33</b>	<b>71</b>	<b>169</b>	<b>\$144,792</b>

### Matters Of Interest

Case	Summary
FCCC v R.B. Patel Group Limited (Case No.180/20)	Sentence was delivered in favor of FCCC against R.B. Patel Group Limited (Accused) who was charged for False and Misleading representation which is a breach of section 77(1) (a) of the FCCC Act 2010. The Court Convicted and fined \$25,000.00 with Court Cost of \$32.70.
FCCC v Abinesh Kumar T/A Biula Minimart (Case No.232/20)	The Accused was charged with the offence of Failure to mark prices and False and Misleading representation. The Court convicted and fined the Accused \$2,000.00.
FCCC v Vijay Nand T/A Vijay's Shopping Center (Case No. 248/20)	The Accused was charged with the offence of selling certain price-controlled items at an excessive price contrary to section 52 of the FCCC Act 2010. The Court imposed a fine upon the Accused of \$1,000.00.
FCCC v Ilaisa Tuiloma T/A Chiba Motors (Case No. 119/20)	The Accused was charged with Accepting payment without being able to supply as ordered contrary to section 88 of the FCCC Act 2010. The accused was ordered to pay a fine of \$13,000.00 to be paid in 3 months. In default, 1 year of imprisonment, inclusive of prosecution costs of \$200.00. Accused to compensate the complainant \$8,000.00 within 2 months. In default 1 year of imprisonment.
FCCC v Ilaisa Tuiloma T/A Chiba Motors (Case No.121/20)	The Accused was charged with Accepting payment without being able to supply as ordered contrary to section 88 of the FCCC Act 2010. The accused was ordered to pay a fine of \$13,000.00 to be paid in 3 months. In default, 1 year of imprisonment, inclusive of prosecution costs of \$200.00. Accused to compensate the complainant \$2,000.00 within 2 months. In default 1 year of imprisonment.
FCCC v Ilaisa Tuiloma T/A Chiba Motors (Case No.77/20)	The Accused was charged with Accepting payment without being able to supply as ordered contrary to section 88 of the FCCC Act 2010. The accused was ordered to pay a fine of \$13,000.00 to be paid in 3 months. In default, 1 year of imprisonment, inclusive of prosecution costs of \$200.00. Accused to compensate the complainant \$6,000.00 within 2 months. In default 1 year of imprisonment.

Table 6.0: Summary on Matters of Interest as of July 2022

# RISK MANAGEMENT & GOVERNANCE

The FCCC's risk management system is designed to identify the risks it faces and has measures in place to keep those risks to an acceptable minimum. The existence of risk presents both threats and opportunities to the FCCC. The FCCC's risk assessment matrix is used as the benchmark in planning and implementing risk management measures. It takes into consideration the nature, scale and complexity of the commission. The Risk Policy, Guideline and Register was approved by the Board and has been implemented.

The initial Guideline outlines the Commission's risk management process and sets out the responsibilities of the Board, the Audit and Risk Committee, the Chief Executive Officer, senior management, and others within the Commission in relation to risk management. There are Risk Champions from each department who work with the Risk Officer.

FCCC maintains a Risk Register for the most significant risks facing FCCC. Each risk area has an identified risk owner who takes overall responsibility for the management of the risk.

This includes liaising with other action owners identified within their risks. Where the head of department and senior staff of the department have been jointly appointed as risk owner, responsibility and accountability should be clearly defined.

To ensure that duplication of effort is minimised and that risks are effectively managed. Risk owners are expected to update their risk evaluation forms once a year but to consider their risks as part of day-to-day management. Risk owners are responsible for ensuring that risks are discussed with relevant committees and groups including the relevant committees of the Board (as appropriate).

Further, it is very crucial to report and document incidents that occur in a department or organization to understand the Risk exposures and implement solutions to avoid reoccurrence.

As such Risk Incident Reporting processes have now been established.





# HUMAN RESOURCES

The HR Department refocused of its strategies and policies to cushion the impacts of COVID-19. As a result, the HR team has reviewed its existing policies that address human capital and revamp these policies to address the challenges brought about by the pandemic.



Table 7.0: Workforce Data ending 31 July 2022

**Human Capital**  
Headcount  
**80**  
(Ending 31 July 2022)

Employee Turnover  
**11%**

**Diversity**  
Identify as female  
**44%**  
Identify as male  
**56%**

**Age Profile**  
Gen Z (1997 – 2012)  
**9%**  
Gen Y (1981 – 1996)  
**76%**  
Gen X (1965 – 1980)  
**14%**  
Baby Boomers (1955 – 1964)  
**1%**

**Employee Engagement & CSR**

- Bucket of Biscuit Drive for the Tonga Volcano Aid, 45 Biscuit buckets were collected
- International Women's Day
- WOW Kids Fundraising
- 16 Day Activism
- Pinktober Awareness Month
- Movember – Prostate Cancer Awareness

**HR Project**

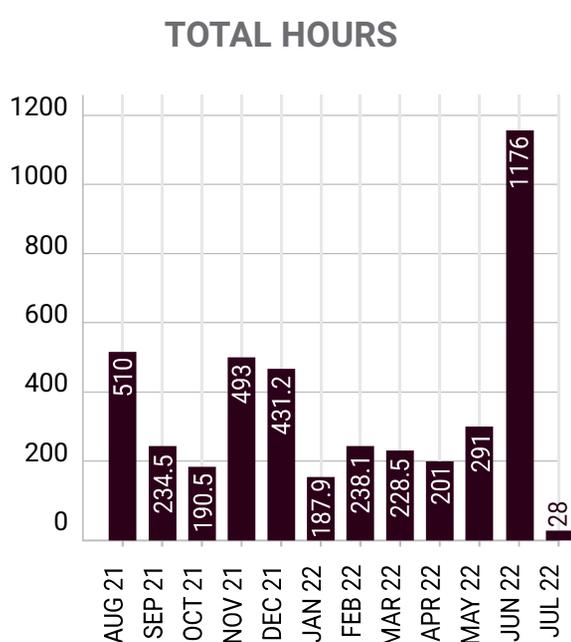
- Implementation of the 5s Program across all FCCC offices
- Review of all HR policies



**Employee Training & Development**

The cumulative training days for FCCC is well above the targeted cumulative days as the team executed strategic trainings as per the organizational needs and focused on delivering virtual trainings to complement the disruptions to the traditional methods of delivering training due to COVID-19.

**Figure 15: Employee Training & Development**

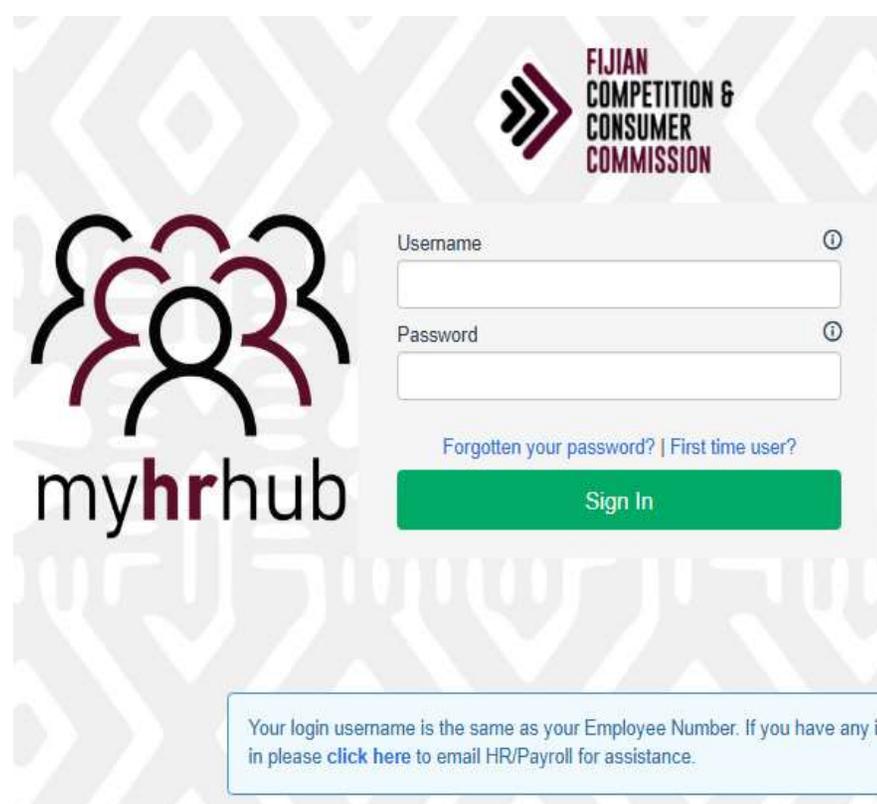


Source: FCCC Record

**ESS Portal**

In line with the new strategic goal of digitisation, HR implemented a portal where employees are able to engage in HR activities such as applying for leave and allowances.

**Figure 16: ESS Portal**





# INTERNAL AUDIT

Internal Audit is an independent, objective assurance and consulting unit whose activities are designed to add value and improve the Commission's operations. It helps the Commission accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The Internal Audit directly reports to the Board through the Audit, Risk & Governance Standing Committee and 2021/2022 was a Year of Performance as the department ventures into conducting various performance and special audits, regardless of the difficulties faced due to

COVID-19 and staff shortage in the department.

The Internal Audit took an integrated audit approach in this financial year where it carried out operational, compliance, financial, performance and special audits/investigations simultaneously. A summary of the audit work conducted by the department is presented below.

Continuous trainings and professional development are essential for auditors where they undergo various in-house trainings such as corporate governance, risk management and investigations trainings.

Audit Type	Audit Focus
Operational & Compliance Audit	All Departments
Financial Audit	Finance Department
Immediate Audit Issues/Investigations	All Departments

Table 8.0: Audit Summary for the Period



# INFORMATION AND COMMUNICATIONS TECHNOLOGY

The Technology Services Division’s mandate is to provide a reliable, secure, easily accessible, and high-performance IT infrastructure to meet the business and service needs of FCCC by:

- Designing quality network, server, and IT security systems that accommodate and protect FCCC’s electronic information.
- Deploying, maintaining, and replacing systems according to industry best practices for IT life cycle management.
- Developing and implementing IT policies, procedures, and processes that safeguard the FCCC’s IT investments.
- Supporting departmental and corporate technology initiatives through network integration and automation where required towards Digital Transformation.

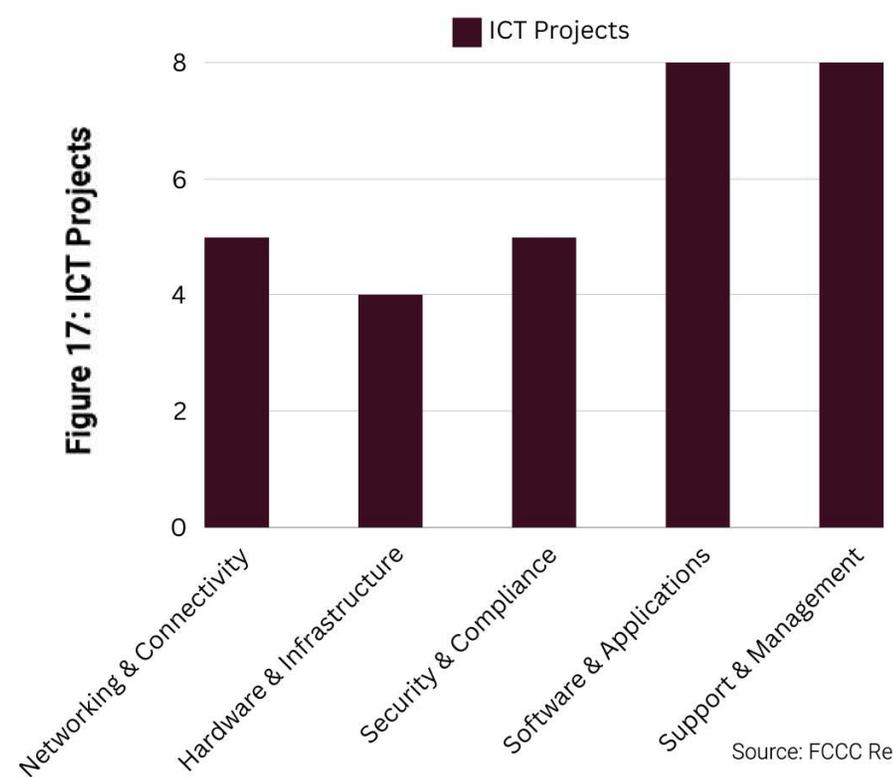
Networking & Connectivity upgrades include increased bandwidth, dual internet service providers, structured cabling, power-over-ethernet switches, and centralized wireless access points.

Hardware & Infrastructure improvements involve replacing pcs, upgrading the UPS and server, and installing biometric systems. Security & Compliance measures focus on upgrading

firewall patches, deploying antivirus solutions, engaging cybersecurity specialists, and enforcing compliant operating systems.

Software & Applications initiatives feature deploying Licensed MS software, upgrading complaints and pricing software, website enhancements, and new HR and financial management systems.

Support & Management improvements include implementing an ICT helpdesk, data migration, virus removal, and remote support tools like TeamViewer.



Source: FCCC Record





## CORPORATE & FINANCE

The Corporate & Finance department supports the overall operations of the FCCC, which is critical in achieving the vision and mission through the delivery of key corporate services that vital to the success of the organization. Primarily, the department includes the functions of finance, procurement, executive support,

customer service and administration.

The audited financial statements for FCCC for year ended 31 July 2022 is provided in the next section.



**AUDITED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2022**

**FIJIAN COMPETITION & CONSUMER COMMISSION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**FIJIAN COMPETITION AND CONSUMER COMMISSION  
COMMISSIONER'S REPORT  
FOR THE YEAR ENDED 31 JULY 2022**

---

In accordance with a resolution of the Commissioners, the Commissioners herewith submit the statement of financial position of Fijian Competition and Consumer Commission ("the Commission" or "FCCC") as at 31 July 2022, the related statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended on that date and report as follows:

**Commissioners**

The Commissioners in office at the date of this report were:

<b>Name</b>	<b>Position</b>	<b>Appointed On</b>	<b>Effective Till</b>
Mr. Isikeli Tikoduadua	Chair	17-Sep-21	Current
Mr. Romil Patel	Deputy Chair	17-Sep-21	Current
Ms. Joann Young	Member	17-Sep-21	Resigned - 11 Dec-21
Ms. Lyanne Vaurasi	Member	17-Sep-21	Resigned - 30 Mar-22
Mr. Vimlesh Sagar	Member	17-Sep-21	Current

**State of Affairs**

In the opinion of the Commissioners, the accompanying statement of financial position gives a true and fair view of the state of affairs of the Commission as at 31 July 2022 and the accompanying statement of comprehensive income, statement of changes in equity, and statement of cash flows give a true and fair view of the results and cash flows for the Commission for the year then ended.

**Principal Activities**

The principal activities of the Commission during the year of the financial statements was to enforce the Fijian Competition and Consumer Commission Act 2010 (the FCCC Act 2010), promoting competition, fair trading, regulating prices in markets where competition is lessened or limited, and regulating monopolistic market situations including national infrastructure, for the benefit of all Fijians.

**Operating Results**

The surplus of the Commission for the year ended 31 July 2022 was \$438,481 (2021: \$1,161,987).

**Basis of Accounting - Going Concern**

The financial statements of the Commission have been prepared on a going concern basis. The Commissioners consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe that the Commission has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

**Current Assets**

Prior to the completion of financial statements of the Commission, the Commissioners took reasonable steps to ascertain whether any current assets were likely to realise in the ordinary course of the business values as shown in the accounting records of the Commission. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount they are expected to realise.

As at the date of this report, the Commissioners are not aware of any circumstances that would render the values attributed to the current assets in the Commission's financial statements to be misleading.

**Significant Events During the Year**

**COVID-19 Global Pandemic**

The novel coronavirus (COVID-19) outbreak has evolved rapidly, bringing a significant health impact globally. Measures taken to contain the virus continue to have significant impact on global markets and economic activity. Fiji is still feeling the impact with business disruption and levels of activity reducing in several market sectors.

The Commission was well prepared in enacting our business continuity plan for operations and staffing during the lock-down. The Commission's Board can confirm that all reasonable steps were taken to protect our staff, customers and operations in the face of this unprecedented challenge. The impact of COVID-19 on FCCC has been negative in terms of collection of regulatory fee because the industries being charged the fee have been adversely affected by the COVID-19. The economic challenges posed by COVID-19 have also contributed to increase in number of complaints and investigations against traders and landlords for breaches of FCCC Act 2010.

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
COMMISSIONER'S REPORT (CONT'D)  
FOR THE YEAR ENDED 31 JULY 2022**

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**Subsequent Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**Other Circumstances**

As at the date of this report:

- (i) no charge on the assets of the Commission has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the Commission could become liable;
- (iii) no contingent liabilities or other liabilities of the Commission has become or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of Commissioners will or may substantially affect the ability of the Commission to meet its obligations as and when they fall due.

As at the date of this report the Commissioners are not aware of any circumstances that have arisen not otherwise dealt with in this report which would make adherence to the existing method of valuation of assets or liabilities of the Commission misleading or inappropriate.

Signed in accordance with the resolution of the Commissioners.

Dated at Suva this *22nd* day of *December* 2023

  
\_\_\_\_\_  
Board Chair

  
\_\_\_\_\_  
Commissioner

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
STATEMENT BY COMMISSIONERS  
FOR THE YEAR ENDED 31 JULY 2022**

---

In accordance with a resolution of the Commissioners of Fijian Competition and Consumer Commission ("the Commission" or "FCCC") we state that:

In the opinion of the Commissioners:

- (a) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Commission for the year ended 31 July 2022;
- (b) the accompanying statement of financial position and statement of changes in equity are drawn up so as to give a true and fair view of the state of affairs of the Commission as at 31 July 2022;
- (c) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flow of the Commission for the year ended 31 July 2022; and
- (d) at the date of this statement there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they fall due.

For and on behalf of the Commission and in accordance with a resolution of the Commissioners.

Dated at Suva this 22<sup>nd</sup> day of December 2023

  
\_\_\_\_\_  
Board Chair

  
\_\_\_\_\_  
Commissioner

# OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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Karsanji Street, Vatuwaqa  
P. O. Box 2214, Government Buildings  
Suva, Fiji



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



## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements of Fijian Competition and Consumer Commission

#### Opinion

I have audited the financial statements of Fijian Competition and Consumer Commission (the Commission), which comprise the Statement of Financial Position as at 31 July 2022, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at 31 July 2022, and its financial performance, and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities ("IFRS for SMEs").

#### Basis for Audit 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 Commission in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants (including International Independence Standards) (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.

#### Other information

The Management and Commissioners are responsible for the other information. The other information comprises the Commissioners' Report but does not include the financial statements and the auditor's report thereon.

In my opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the Commission'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 and 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 Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and Commissioners' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

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

**Report on Other Legal and Regulatory Requirements**

In my opinion, the financial statements have been prepared in accordance with the requirements of the Fijian Competition and Consumer Commission Act 2010 in all material respects, and;

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Commission has kept financial records sufficient to enable the financial statements to be prepared and audited.



Sairusi Dukuno  
ACTING AUDITOR-GENERAL



Suva, Fiji  
09 January 2024

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	31 July 2022 \$	31 July 2021 \$
<b>Income</b>			
Government grant - operational		4,141,827	3,921,589
Regulatory fees		2,305,278	2,423,810
Other income	2	516,069	425,771
<b>Total income</b>		<b>6,963,174</b>	<b>6,771,170</b>
<b>Expenditure</b>			
Personnel expenses	3	3,847,256	3,228,499
Staffing obligation	4	138,766	110,602
Operating expenses	5	1,290,391	956,525
Administrative expenses	6	846,850	984,952
Depreciation and amortisation	11(c) and 12	401,430	328,605
<b>Total expenditure</b>		<b>6,524,693</b>	<b>5,609,183</b>
Surplus		438,481	1,161,987
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>438,481</b>	<b>1,161,987</b>

*(The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on page 11 to page 20)*

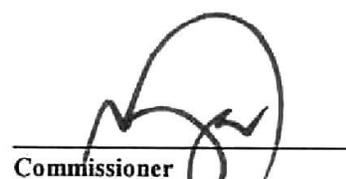
**FIJIAN COMPETITION AND CONSUMER COMMISSION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JULY 2022**

	Notes	31 July 2022 \$	31 July 2021 \$
<b>Current assets</b>			
Cash and cash equivalents	7	2,251,161	1,772,739
Financial assets	8	308,775	300,000
Deposits	9	42,287	42,287
Trade and other receivables	10	435,721	577,275
<b>Total current assets</b>		<b>3,037,944</b>	<b>2,692,301</b>
<b>Non current assets</b>			
Property, plant and equipment	11	1,419,792	1,161,525
Intangible assets	12	154,156	243,966
<b>Total non current assets</b>		<b>1,573,948</b>	<b>1,405,491</b>
<b>Total assets</b>		<b>4,611,892</b>	<b>4,097,792</b>
<b>Current liabilities</b>			
Trade and other payables	13	433,837	380,976
Employee entitlement provision	14	242,543	188,514
Deferred income	15	332,740	325,938
Other current liabilities	16	-	7,436
<b>Total current liabilities</b>		<b>1,009,120</b>	<b>902,864</b>
<b>Non current liabilities</b>			
Deferred income	15	805,763	836,400
<b>Total non current liabilities</b>		<b>805,763</b>	<b>836,400</b>
<b>Total liabilities</b>		<b>1,814,883</b>	<b>1,739,264</b>
<b>Net assets</b>		<b>2,797,009</b>	<b>2,358,528</b>
<b>Equity</b>			
Accumulated surplus		2,797,009	2,358,528
<b>Total equity</b>		<b>2,797,009</b>	<b>2,358,528</b>

*(The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on page 11 to page 20)*

Signed for and on behalf of the Commission.

  
 Board Chair

  
 Commissioner

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2022**

	<b>Accumulated Surplus \$</b>	<b>Total \$</b>
<b>Balance as at 31 July 2020 - restated</b>	1,196,541	1,196,541
Net surplus for the year	1,161,987	1,161,987
<b>Balance as at 31 July 2021</b>	<u>2,358,528</u>	<u>2,358,528</u>
Net surplus for the year	438,481	438,481
<b>Balance as at 31 July 2022</b>	<u>2,797,009</u>	<u>2,797,009</u>

*(The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on page 11 to page 20)*

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	31 July 2022 \$	31 July 2021 \$
<b><u>Cash flows from operating activities</u></b>			
Receipts from government and customers		6,978,158	6,361,544
Payments to suppliers and employees		(6,010,576)	(5,091,898)
<b>Net cash provided by operating activities</b>	17 (b)	<b>967,582</b>	<b>1,269,646</b>
<b><u>Cash flows from investing activities</u></b>			
Proceeds from sale of property plant and equipment		47,335	944
Interest received from short term deposit		8,775	-
Payments for property plant equipment and intangibles		(536,495)	(274,134)
Short term deposit		(8,775)	(300,000)
<b>Net cash used in investing activities</b>		<b>(489,160)</b>	<b>(573,190)</b>
Net increase in cash held		478,422	696,456
Cash and cash equivalent at the beginning of the year		1,772,739	1,076,283
<b>Cash and cash equivalent at the end of the year</b>	17 (a)	<b>2,251,161</b>	<b>1,772,739</b>

*(The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on page 11 to page 20)*

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Statement of compliance**

These financial statements have been prepared by the Fijian Competition and Consumer Commission (the Commission) in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs") issued by the International Accounting Standards Board.

The principal accounting policies adopted by the Commission are stated to assist in general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

The financial statements were authorised for issue by the Commissioners on 22nd December 2023

Set out below is summary of the significant accounting policies adopted by the Commission in the preparation of the financial statements for the year ended 31 July 2022.

**1.2 Basis of preparation**

The Financial Reports are general purpose financial reports and have been prepared in accordance with the requirements of the FCCC Act 2010 and the IFRS for SMEs.

The Financial Reports have been prepared on the basis of historical costs and except where specifically stated do not take into account current valuations of non current assets.

The Financial Statements have been prepared on a going concern basis. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by the Commission in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

**1.3 Property, plant and equipment**

Fixed assets are measured at cost less accumulated depreciation or amortisation and impairment losses. These assets are depreciated or amortized from the date of acquisition or when an asset is completed and held ready for use. Depreciation or amortisation is calculated on a straight-line basis so as to write off the cost or revalue amount of each fixed assets during its effective working life to its estimated residual value. The principal depreciation or amortisation rates in use are as follows:

	<b>Rate</b>
Furniture and Fitting	12%
Office Equipment	12-40%
Vehicles	18-20%
Computer Equipment	25-40%
Leasehold Improvements	Over the lease term

**FIJIAN COMPETITION AND CONSUMER COMMISSION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

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

**1.4 Intangible assets**

Computer software and licenses are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised at the rate of 33%.

**1.5 Income tax**

The Commission is not subject to income tax in accordance with Section 24(1) of the FCCC Act 2010.

**1.6 Value Added Tax (VAT)**

Revenue, expenses, assets and liabilities are recognized net of VAT, except:

- i) Where the amount of VAT incurred is not recoverable from the tax authority, it is recognized as part of the cost of acquisition of the asset or as part of an item of expense; or
  - ii) For receivables and payables, which are recognized inclusive of VAT.
- The net amount of VAT payable to, or receivables from, the taxation authority is included as part of trade and other payables or trade and other receivables.

**1.7 Revenue**

Revenue comprises of quarterly Government grant from the Ministry of Economy (MOE) and Regulatory Fees charged to industries regulated by FCCC.

**1.8 Government grant**

Recurrent grants are brought to account as income over the period to which they relate since the grant does not impose specified future performance conditions on the Commission. Non recurrent grants are brought to account in the same proportion that depreciation bears to the cost of the assets acquired with the grant.

**1.9 Regulatory fees**

The Commission is authorised to charge annual regulatory fee to regulated entities through Regulations No. 91 under the FCCC Act 2010. The Regulations No. 91 came into force from 29 October 2019 and it prescribes the fees to be charged. The industries being charged the fee include telecommunications, ports, electricity, cement, steel, postal services, petroleum, and liquefied petroleum gas. The fees are brought to account as income over the period to which they relate.

**1.10 Trade and other receivables**

The regulated entities are charged fee on thirty (30) days terms from the date of invoice in accordance with Note 1.9. Balances remaining outstanding at the end of financial year are recognised as receivables.

**1.11 Deferred income**

Significant items of income having a relationship to more than one accounting period have been brought to account over the period to which they relate. This is mainly for grant income used to fund capital projects and purchases.

**1.12 Employee entitlements**

Employee entitlements include provision for annual leave relating to amounts expected to be paid to employees based on contractual entitlements. Defined contribution plans to Fiji National Provident Fund are expensed when incurred.

**1.13 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with a maturity of three months or less.

**1.14 Trade and other payables**

The amounts represent liabilities recognized when the Commission becomes obliged to make future payments resulting from purchase of goods and services.

**1.15 Equity and reserves**

Equity include accumulated surplus which comprises all current and prior period surpluses or deficits.

**1.16 Comparatives**

Where necessary, amounts relating to prior year have been reclassified to achieve consistency in disclosures with the current financial year amounts and other disclosures.

**FIJIAN COMPETITION AND CONSUMER COMMISSION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

	31 July 2022	31 July 2021
	\$	\$
<b>NOTE 2 OTHER INCOME</b>		
Amortization of deferred income	401,495	320,408
Electricity licensing fees	56,120	50,893
Professional fees	-	21,968
Mergers and acquisition assessment fees	25,688	12,830
Gain on disposal of fixed assets	14,476	6,393
Miscellaneous income	9,595	8,150
Court cost refunds	8,695	5,129
	<b>516,069</b>	<b>425,771</b>
<b>NOTE 3 PERSONNEL EXPENSES</b>		
Salaries and wages	3,077,147	2,653,326
FNPF	367,346	241,568
Annual leave	273,798	206,736
Board allowance	95,954	98,706
FNU levy	33,011	28,163
	<b>3,847,256</b>	<b>3,228,499</b>
Number of employees	<b>86</b>	<b>81</b>
<b>NOTE 4 STAFFING OBLIGATION</b>		
Temporary officers allowance	94,961	78,200
Staff in-house medical scheme	29,721	11,614
Fringe benefits	11,175	9,249
Staff housing and responsibility allowance	2,909	11,539
	<b>138,766</b>	<b>110,602</b>
<b>NOTE 5 OPERATING EXPENSES</b>		
Enforcement and investigation related costs	473,406	231,656
Rent	350,149	350,149
Inspections and tours	136,183	79,165
Legal fees, court charges and lawsuit	98,300	106,811
Motor vehicle expense	72,054	62,254
Repairs and maintenance	65,692	59,410
Awareness	28,839	23,070
Advertising	24,700	21,059
Printing, postage and meeting expenses	39,917	20,977
Public consultation and strategic alliance	1,151	1,974
	<b>1,290,391</b>	<b>956,525</b>

**FIJIAN COMPETITION AND CONSUMER COMMISSION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

	31 July 2022	31 July 2021
	\$	\$
<b>NOTE 6 ADMINISTRATIVE EXPENSES</b>		
Consultancy and professional fees	173,110	308,651
Telephone, internet and fax	169,049	133,885
Training and development	126,384	47,905
IT support cost	74,152	56,644
Doubtful debts expense	72,048	127,244
Insurance	51,891	48,633
Office expense and uniforms	48,920	100,897
Electricity and water	41,573	40,232
Travel and accommodation	27,796	38,560
Cleaning	27,417	25,993
Subscription	15,638	15,105
Stationery	9,662	12,282
Audit fees	6,937	7,905
Bank charges	2,247	1,965
General expenses	26	-
Relocation and branding	-	19,051
	<u>846,850</u>	<u>984,952</u>

**NOTE 7 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at the end of the Financial year as shown in the cash flow statement is reconciled to statement for financial position as follows:

Regulatory fee account - HFC	1,766,219	1,254,708
Other revenue account - HFC	269,334	1,962
Operating account - WBC and HFC	189,826	492,394
Fixed penalty account - HFC	10,352	1,821
Mediation fund account - HFC	10,035	18,055
West and North advance account - HFC	2,295	2,785
Cash on hand	3,100	1,014
	<u>2,251,161</u>	<u>1,772,739</u>

The Mediation Fund Account relates to the mediation funds maintained by the Commission in accordance with Section 15 of the FCCC Act 2010. The funds are received from the respondents which are then paid to complainants where both parties agree to resolve the case through mediation facilitated by the Commission. The sums are paid out to complainant upon settlement of the cases.

**NOTE 8 Financial Assets**

Short term deposit - Bred Bank	<u>308,775</u>	<u>300,000</u>
	<u>308,775</u>	<u>300,000</u>

The term deposit was created on 31 January 2022 for a term of twelve (12) months on an annual interest rate of 1.80%.

**NOTE 9 DEPOSITS**

Rental deposit	39,390	39,390
Energy Fiji Limited	2,897	2,897
	<u>42,287</u>	<u>42,287</u>

**FIJIAN COMPETITION AND CONSUMER COMMISSION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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	31 July 2022 \$	31 July 2021 \$
<b>NOTE 10 TRADE AND OTHER RECEIVABLES</b>		
Regulatory fee receivable	423,537	597,232
Provision for doubtful debts - regulatory fee receivable	<u>(301,085)</u>	<u>(222,552)</u>
	<u>122,452</u>	<u>374,680</u>
Prepayments	210,380	116,599
VAT refund	51,844	70,176
Electricity licensing fees receivable	40,528	-
Staff accountable advance	8,751	5,074
Other receivables	<u>1,766</u>	<u>10,746</u>
	<u><b>435,721</b></u>	<u><b>577,275</b></u>

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT**

- (a) Property plant and equipment are stated at cost and have been included in the financial statements on the following basis:

<b>Furniture and fitting</b>		
At cost	44,557	41,649
Accumulated depreciation	<u>(20,208)</u>	<u>(15,519)</u>
	<u><b>24,349</b></u>	<u><b>26,130</b></u>
<b>Office equipment</b>		
At cost	193,727	113,623
Accumulated depreciation	<u>(101,223)</u>	<u>(71,708)</u>
	<u><b>92,504</b></u>	<u><b>41,915</b></u>
<b>Motor vehicle</b>		
At cost	349,541	449,753
Accumulated depreciation	<u>(146,919)</u>	<u>(325,018)</u>
	<u><b>202,622</b></u>	<u><b>124,735</b></u>
<b>Computer equipment</b>		
At cost	417,748	377,828
Accumulated depreciation	<u>(251,851)</u>	<u>(188,766)</u>
	<u><b>165,897</b></u>	<u><b>189,062</b></u>
<b>Leasehold improvements</b>		
At cost	895,028	857,201
Accumulated amortisation	<u>(300,396)</u>	<u>(221,955)</u>
	<u><b>594,632</b></u>	<u><b>635,246</b></u>
<b>Works in progress</b>	<u><b>339,788</b></u>	<u><b>144,437</b></u>
<b>Net book value</b>	<u><b>1,419,792</b></u>	<u><b>1,161,525</b></u>

- (b) The depreciation policies adopted are set out in Note 1.3

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT (continued)**

(c) Reconciliation of the net book value amount for each class of property plant and equipment at the beginning and at the end of the current financial year is set out as follows:

Cost	Furniture and Fitting	Office Equipment	Motor Vehicle	Computer Equipment	Leasehold Improvements	Work in Progress	Total
\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 31 July 2021	41,649	113,623	449,753	377,828	857,201	144,437	1,984,491
Additions	2,908	82,832	106,330	61,190	37,827	303,412	594,499
Disposals	-	(2,728)	(275,258)	(32,635)	-	-	(310,621)
Transfer to intangible assets	-	-	68,716	11,365	-	(108,061)	(27,980)
Balance as at 31 July 2022	<b>44,557</b>	<b>193,727</b>	<b>349,541</b>	<b>417,748</b>	<b>895,028</b>	<b>339,788</b>	<b>2,240,389</b>
<b>Accumulated Depreciation</b>							
Balance as at 31 July 2021	15,519	71,708	325,018	188,766	221,955	-	822,966
Depreciation	4,689	31,104	68,306	92,853	78,441	-	275,393
Disposals	-	(1,589)	(246,405)	(29,768)	-	-	(277,762)
Balance as at 31 July 2022	<b>20,208</b>	<b>101,223</b>	<b>146,919</b>	<b>251,851</b>	<b>300,396</b>	<b>-</b>	<b>820,597</b>
<b>Book Value</b>							
As at 31 July 2021	<b>26,130</b>	<b>41,915</b>	<b>124,735</b>	<b>189,062</b>	<b>635,246</b>	<b>144,437</b>	<b>1,161,525</b>
As at 31 July 2022	<b>24,349</b>	<b>92,504</b>	<b>202,622</b>	<b>165,897</b>	<b>594,632</b>	<b>339,788</b>	<b>1,419,792</b>

The Commission has capital works in progress in relation to digital transformation projects to revolutionise its systems and processes.

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**NOTE 18 RELATED PARTY TRANSACTIONS (continued)**

**(c) Transactions with MOE (Funding Agency)**

At the start of the financial year 2019-2020, the Commission was moved into Head 13 Independent Commissions for government grant. Funds for Independent Commissions is disbursed by MOE. As such, during the financial year, the Commission received operating grant from MOE. Quarterly reports were submitted to MOE to acquit the grant.

	31 July 2022	31 July 2021
	\$	\$
Operating grant (VAT inclusive)	4,519,871	4,157,902
	<u>4,519,871</u>	<u>4,157,902</u>

**NOTE 19 CONTINGENT ASSETS AND LIABILITIES**

**(a) Contingent liability**

The Commission is not aware of any contingent liability arising in the ordinary course of business.

**(b) Contingent asset**

The Commission is not aware of any contingent asset arising in the ordinary course of business.

**NOTE 20 COMMITMENTS**

**(a) Capital commitments**

There were no contracted capital commitments at the reporting date or in the prior financial year.

**(b) Operating lease commitments**

The Commission leases three (3) offices under non-cancellable operating lease agreements. The lease terms are between five (5) to fifteen (15) years. The lease agreements are renewable at the end of the lease period at market rate. The Commission is required to give prior notice for termination of these agreements.

	31 July 2022	31 July 2021
	\$	\$
The future minimum lease payments under non-cancellable operating leases are as follows:		
No later than 1 year	405,794	386,563
Later than 1 year and no later than 5 years	1,779,351	1,529,600
Later than 5 years	1,580,651	1,700,619
	<u>3,765,796</u>	<u>3,616,782</u>

**NOTE 21 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

**COVID-19 Global Pandemic**

The novel coronavirus (COVID-19) outbreak has evolved rapidly, bringing a significant health impact globally. Measures taken to contain the virus continue to have significant impact on global markets and economic activity. Fiji is still feeling the impact with business disruption and levels of activity reducing in several market sectors.

The Commission was well prepared in enacting our business continuity plan for operations and staffing during the lock-down. The Commission's Board can confirm that all reasonable steps were taken to protect our staff, customers and operations in the face of this unprecedented challenge. The impact of COVID-19 on FCCC has been negative in terms of collection of regulatory fee because the industries being charged the fee have been adversely affected by the COVID-19. The economic challenges posed by COVID-19 have also contributed to increase in number of complaints and investigations against traders and landlords for breaches of FCCC Act 2010.

**FIJIAN COMPETITION AND CONSUMER COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**NOTE 22 PRINCIPAL ACTIVITY**

The Commission is an independent statutory body that enforces the FCCC Act 2010, promoting competition, fair trading, regulating prices in markets where competition is lessened or limited, and regulating monopolistic market situations including national infrastructure, for the benefit of all Fijians.



# FIJIAN COMPETITION & CONSUMER COMMISSION

If you have any questions or ideas regarding this report, please contact:

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