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Verbatim Report

[VERBATIM REPORT]

STANDING COMMITTEE ON FOREIGN AFFAIRS & DEFENCE

ANNUAL REPORTS

- (1) Fijian Competition and Consumer Commission 2019-2020 Annual Report
- (2) Fijian Competition and Consumer Commission 2020-2021 Annual Report
- (3) Fijian Competition and Consumer Commission 2021-2022 Annual Report
- **ENTITY:** Fijian Competition and Consumer Commission
- **VENUE:** Big Committee Room, Government Buildings, Suva
- **<u>DATE</u>**: Tuesday, 6th May, 2025

VERBATIM REPORT OF THE MEETING OF THE STANDING COMMITTEE ON FOREIGN AFFAIRS AND DEFENCE HELD AT THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, SUVA, ON TUESDAY, <u>6</u>TH MAY 2025 AT 0.00 A M

<u>MAY, 2025, AT 9.00 A.M.</u>

In	terviewee/Submittee:	Fijian	Competition and Consumer Commission
<u>In A</u>	<u>Attendance</u> :		
1. 2. 3. 4.	Ms. Senikavika Jiuta Ms. Akeneta Vonoyauya Mr. Avikash Chand Mr. Jai Kumar	- iu - -	CEO Manager Pricing, Policy and Planning Senior Accountant Senior Communications Officer

DEPUTY CHAIRPERSON.- Honourable Members, members of the media and the public, the Secretariat, dear viewers, ladies and gentlemen; a very good morning to you all. It is a pleasure to welcome everyone, especially to the viewers who are watching this proceeding.

At the outset, for information purposes, pursuant to Standing Orders of Parliament, specifically Standing Order 111, all Committee meetings are to be open to the public. Therefore, this meeting is open to the public and the media. However, for any sensitive information concerning this submission that cannot be disclosed in public, that can be provided to the Committee either in private or in writing. Do note that this will only be allowed in a few specific circumstances, which include:

- 1. national security;
- 2. third party confidential information;
- 3. personnel or human resource measures; and
- 4. Committee deliberation and development of committee's recommendation and report.

I wish to remind honourable Members and our invited guests that all comments and questions to be asked are to be addressed through the Deputy Chairperson. For those viewers watching this live on *Facebook*, questions can be sent via comments, and only relevant questions will be considered by the Committee. Please, note that if there are any questions from Members of the Committee, they may interject, or we will wait till the end of your submission to ask our questions.

This is a parliamentary meeting, and all information gathered is covered under the Parliamentary Powers and Privileges Act and the Standing Orders of Parliament. Please, bear in mind that we do not condone slander or libel of any sort, and any information brought before this Committee should be based on facts.

In terms of other protocols of this Committee meeting, please, be advised that movement within the meeting room will be restricted; minimise usage of mobile phones, and all mobile phones to be on silent mode while the meeting is in progress.

I would like to introduce the honourable Members of the Standing Committee on Foreign Affairs and Defence.

(Introduction of Committee Members)

Today, the Committee will be having an oral submission from the Fiji Competition and Consumer Commission (FCCC) in relation to its 2019 to 2022 Annual Reports. I will take this time to invite our guests to introduce themselves, before you proceed with your submission.

(Introduction of FCCC Officials)

DEPUTY CHAIRPERSON.- If you have a presentation slide, please proceed with that.

MS. S. JIUTA.- The Deputy Chairperson, honourable Members of the Standing Committee on Foreign Affairs and Defence, ladies and gentlemen; this morning, my team and I have the pleasure of presenting the FCCC Annual Reports for the financial years 2019 to 2022 to the Committee. This has just been my first month as CEO of the Commission. First of all, we would like to thank the Committee for taking its time to consider our Reports and allowing us this opportunity to present a synopsis of the FCCC's performance, activities and strategic developments from 2019 to 2022.

In terms of the executive summary, from 2019 to 2022, FCCC significantly enhanced market regulation, consumer protection and internal operational efficiency, despite the unprecedented challenges posed by the COVID-19 pandemic and evolving global economic circumstances. The Commission maintained the robust regulatory oversight, strengthened its enforcement mechanisms, supported gender diversity in leadership roles, and aligned its strategic objectives with Sustainable Development Goals.

In terms of the overall trend – the trend analysis for key achievements from 2019 to 2022 – there were five key components. From that period, FCCC progressively strengthened its regulatory framework, notably expanding its oversight responsibilities in critical sectors such as electricity, pharmaceuticals and telecommunications.

In preparing for today's presentation, Sir, we take note of the recommendation for data trend of, at least, five years to be included in our future reports for better analysis. However, in the interest of submitting our reports efficiently, I will admit that there was an oversight from our end. For the remaining 2023 to 2024 financial year Annual Reports, we will undertake to incorporate that.

Nevertheless, the key achievements can be summarised as follows. On regulatory expansion, there are two periodic reviews that are conducted monthly and quarterly. The petroleum and LPG reviews are conducted on a monthly basis, whilst the pharmaceutical reviews of medicine are conducted on a quarterly basis. Throughout all our annual reports, these are ongoing activities.

As for key achievements in our regulatory role, it had expanded with the enactment of the Electricity Act 2017. The FCCC serves as an independent regulator of the electricity sector under the Act, and is mandated to enforce the Electricity Act 2017, as well as issue licences for generation, transmission and supply and setting of electricity tariffs. We also promote renewable energy and ensuring fair competition within the sector.

In terms of our technical regulations as part of the FCCC's role under the Electricity Act 2017, we oversee licensing for solar grid and off grid systems, standalone systems and backup generator systems. All power generation systems must have electrical licences for installation and power generation valid for five years. In 2020, we had a total of 91 licences; 2021 - 78 licences; and in 2022, we had a total of 53 licences that were issued. In the upcoming annual reports, the Committee will see a notable change with our licensing role, as we are now moving towards developing digital system with proper processes and requirements clearly outlined for solar or off grid investors.

In terms of telecommunications, during that period from 2019 to 2022, FCCC released an Interim Authorisation for Prices for Broadband Capacity Services Carried Over Backhaul Fiber Network between nominated nodes by Telecom Fiji Pte Limited (TFL). That was to cater for the rapidly increasing data traffic associated with Long Term Evolution (LTE) 4G and intentions for 5G network. There was a need to ensure that wholesale prices reflect the fair and reasonable costs that TFL has and will incur in providing backhaul transmission services. The FCCC also revealed the FINTEL charges for cable landing station for other services. Also, in our determination, we changed the charge from \$4,000 per gigabyte per month to \$640 per service per month. The colocation charge was also amended from \$1,500 per square metre to 1,630 per square metre. This information is also captured in our Annual Reports.

Those changes reflect the change in application of pricing, which is now based on a service utilizing a fiber connection between a national telecommunications operator in Fiji and an international submarine cable at a cable landing station. That change made an important contribution towards the growth and development of Fiji's economy and presents opportunities to deliver high speed low cost internet connectivity and associated economic and social benefits.

Our role also expanded with the enactment of the Pharmacy Profession (Budget Amendment) Act 2022, along with the Medicinal Products (Budget Amendment) Act 2022 and the Public Health (Amendment) Act 2021, significantly expanding FCCC's oversight capabilities. The FCCC is now mandated to be the independent body that determines pharmacy licences, which previously was the role of the Fiji Pharmacy Profession Board.

In terms of market intervention, in 2019, FCCC was mandated to set fares and charges for public service vehicles, which include buses, taxis, carriers and minibuses. Due to this mandate, FCCC also developed a robust regulatory framework which can be used for future reviews.

In terms of digitalisation implementation, we implemented the electronic pricing (epricing) portal and Advanced Electronic System for pricing reviews. To give some background of this portal, apart from the monthly and quarterly price reviews, we also conduct daily price reviews where FCCC sets the ceiling prices for basic food items which include onions, potatoes, split peas, cooking oil, et cetera. Traders would initially make written submissions and this process would, at least, take a minimum of four days to process. Therefore, the e-pricing portal now enables traders to formally lodge their submission online and reviews are conducted within a day or two, minimising delays and improving efficiency in economic development.

In 2019, a total of 2,065 product reviews were carried out, compared to 1,829 reviews in 2018. The increase in the number of reviews has been made possible by the implementation of this pricing system. In 2022, product price reviews increased to 2,724, which indicated a 50 percent increase in submissions for the year.

As of 31st July, 2020, the system handled pricing reviews for seven categories of basic food items. We hope to increase those categories in the near future.

The FCCC has also established a comprehensive Case Management System to manage complaints that are lodged with all our centers.

In terms of consumer advocacy, in 2022, FCCC launched an extensive consumer and trader awareness campaign, dramatically increasing engagement through social media platforms, workshops and community outreach programmes. I would invite the Committee to refer to Page No. 31 of the 2021-2022 Annual Report, 31, in terms of the trend analysis for consumer advocacy.

Sir, on enforcement actions, we conducted robust enforcement actions against unfair trade practices and price manipulation during the COVID-19 crisis, protecting consumers from exploitation. As part of COVID-19 policy changes, the government introduced VAT charges as part of the policy for specific sectors with an overall objective of encouraging growth, particularly revitalising the Fijian economy as part of post-COVID-19 recovery. There was a total of 21 essential items listed as zerorated VAT products, whereby 16 were price controlled, while five were deemed essential but not controlled. Those included toilet paper, toothpaste, sanitary pad, soap powder and detergent. That was during the pandemic.

The FCCC was involved in the COVID-19 surveillance enforcement, and one of my team members will talk more on that in terms of our reach during that period. That enforcement was made possible in conjunction with the Ministry of Health and Medical Services, the Fiji Police Force and the Ministry of Commerce, Trade, Tourism and Transport (MCTTT), ensuring that businesses operate within the Public Health Act 1935 during the pandemic.

I will give hand over to my colleague, Mr. Kumar, to discuss the major sectors of concern and key actions.

MR. J. KUMAR.- Deputy Chairperson and honourable Members, Madam CEO has already covered the transport sector, the electricity sector, pharmaceuticals and medicinal products, which are some of the sectors we covered over the three financial years that we are discussing.

In addition to that, on residential rent, tenancy issues with primary complaints and the volume of complaints we received during that time, FCCC continued enforcement of the rent increase restriction order and investigated high volumes of complaints regarding

unlawful rent practices. A systematic consumer education campaign was also rolled out at the time to address tenancy awareness gaps.

On essential goods and price-controlled commodities, as mentioned, that increased significantly during the period, peaking at over 2,700 reviews. Market surveillance was enhanced at this time to ensure the pass-through of duty reductions and zero-rated VAT adjustments to consumers with a focus on food, fuel and hygiene products was passed on.

Additionally, a new focus was also done on digital markets in e-commerce, considering the prevalence, so FCCC initiated market studies on the digital economy to better define market power and potential abuse in e-commerce. That included ongoing monitoring of misleading online claims and anti-competitive digital trade practices.

All those interventions were grounded in evidence-based regulatory frameworks and reflected FCCC's ability to respond to evolving consumer risks and market dynamics across the Fijian economy. I will now hand over to my colleague to continue.

MS. A. VONOYAUYAU.- In summing up, I will be explaining on the growth in staffing and enforcement activities. As highlighted, with the expansion of our role in enforcement, we have also seen a slight increase in staffing from 2019 to 2020 with 75 full-time employees, to 86 from 2021 to 2022 - a net approximate increase of 6.6 percent in staffing, with a target focus on enforcement, legal and regional operations.

Sir, on overall inspections conducted from 2019 to 2020, around 14,000 inspections were carried out. In 2020 to 2021, with our new role as a COVID-19 Ambassador as well, we covered around 11,167 trader inspections, plus 10,000 COVID-19 protocol inspections. Overall, there were around 20,000 inspections that FCCC carried out for the period 2020 to 2021. In 2021 to 2022, that slightly reduced to around 19,238 inspections. That rebound highlighted FCCC's intensified market monitoring and post-pandemic enforcement efforts...

Looking at the breakdown of staff in terms of gender and in focus, women in leadership, FCCC maintain a progressive stance towards gender diversity, with a steady female representative of around 44 percent of total employees across the reporting period. Notably, key leadership role included the position of General Manager Operations and later, Acting CEO during that period which was held by Ms. Senikavika Jiuta, underscored FCCC's commitment to gender equality and female empowerment in the senior management position. On women's participation in consumer protection, throughout the period, FCCC has demonstrated its commitment to gender inclusion, particularly in the regulatory space and enforcement functions. Consistently, female staff, approximately 44 percent of the workforce, women are holding key leadership positions in enforcement and legal affairs. Notably, Ms. Jiuta served as General Manager Operations and later as Acting CEO, directly overseeing compliance activities, market surveillance, trader accountability and general enforcement. Those efforts reflected FCCC's institutional alignment with SDG 5 - gender equality, with gender participation actively integrated into decision-making roles impacting consumer protection at large.

I am going to hand over to my colleague to explain on the financial growth.

MR. A. CHAND.- Moving forward to financial analysis, from 2019 to 2020, the breakdowns are as follows. For financial year 2019, the total revenue was \$5.4 million, out of which the total expense was \$4.7 million, resulting in a surplus of \$700,000.

From 2020 to 2021, we had a total revenue of \$6.7 million, total expenditure of \$5.6 million, which resulted in a surplus of \$1.6 million. From 2021 to 2022, we had a total revenue of \$6.9 million whereas the total expenditure was \$6.5 million, resulted in a surplus of \$430 million. The overall total revenue from 2019 to 2022 increased from \$5.4 million to \$6.96 million.

Moving on to the financial balance sheet, we had a total asset of \$2.7 million and total liability of \$1.5 million for the financial year 2019, which resulted in a net asset of \$1.1 million. From 2020 to 2021, our total asset was \$4.6 million and total liability was \$1.8 million, with a net asset of \$2.7 million.

From 2020 to 2021, our total asset was \$4 million and total liability was \$1.7 million, resulting in a net asset of \$2.3 million. Also, the net asset grew from \$1.1 million from 2019 to \$2.36 million in 2022. For employees account, that has already been highlighted which has increased from \$75 million to \$86 million.

MS. S. JIUTA.- With respect to Sustainable Development Goals (SDGs), the FCCC strategic operations consistently aligns with key SDGs - SDG 5, 8, 12 and 13. In terms of SDG 5 -gender equality, my colleague has already covered that. In terms of SDG 8 - decent work and economic growth, we ensured fair market practices and consumer protection, supporting stable economic growth. On SDG 12 - responsible consumption and production, we advocated for responsible marketing environmental claims, actively addressing and enforcing actions against brainwashing. On SDG 13 - climate change, we

have also looked at our operations in terms of integrated environmental and climate change criteria, inter-regulatory reviews, demonstrating clear commitment to sustainable practices.

In terms of our main challenges that we faced over the years, the primary challenges that we faced during the reporting period included, of course, the COVID-19 pandemic which significantly disrupted global and domestic supply chains that required immediate interventions against price gouging, hoarding and ensuring continuous supply and affordability of essential goods. Also, resource constraints, persistent funding, as well limitations that affected broader enforcement and awareness activities, necessitating strategic prioritisation and efficiency improvements.

In terms of dynamic market conditions and increasing complexities of digital market regulation, this has actually demanded extensive capacity building and adaptation of existing regulatory frameworks to align with dynamic market conditions. The FCCC effectively navigated those challenges through proactive strategies, such as digital transformation, stakeholder engagements and international cooperation.

For future strategic plans, FCCC's strategic outlook includes enhanced digital market oversight and legislative strengthening. We do understand that there are some gaps and loopholes within our legislation, not only with our Act, but also with the proposed Landlord and Tenancy Bill, so there is a need for legislative strengthening. There is also a need for continued gender and diversity initiatives and sustainable initiatives.

In conclusion, FCCC's efforts over the period 2019-2022 have substantially improved market regulation, consumer protection and organisational excellence, aligning closely with national priorities and global sustainability standards. The Commission remains committed to evolving proactively in response to market dynamics and global economic challenges, ensuring a continued service to Fijian consumers and businesses.

DEPUTY CHAIRPERSON.- Thank you CEO and Management for a very comprehensive and enlightening presentation this morning. I now open the floor for any questions. Please, note that questions have to be addressed through the Chair.

I would like to begin with the first question. For the Committee and for public information, how does FCCC determine the price of goods? I understand that whenever the prices of gas, kerosene, diesel and petrol is published on the pages, sometimes you see a lot being said on social media. please, can you clarify your position on how these prices are determined for the Fijian consumers? MS. A. VONOYAUYAU.- Deputy Chairperson, in setting regulatory pricing, there is a framework and a methodology that is adopted by FCCC, so different products will have different methods. If you are talking about food products, the methodology that we use is the cost plus method because majority of our reliance is on import. Until landing at our dock, we just add the clearance and then there is an allowable markup that is allowed on a specific product. Therefore, you would have different product nature that will attract different costs. If you are talking about a very short self-life product, that would incur storage cost as well. Those are the mechanisms that we use on products.

Those also apply to petroleum - LPG gas. They are all sourced outside of Fiji. The same applies - lending here and we have an allowable markup. It can be cents per litre or it can be a percentage allowance. For the benefit of the Members, I would not be in a position to divulge the actual allowable at the moment, but if you want, that is something that our CEO will then get it across to the Members.

That is usually part of our regulatory assessment. Periodically, for food products, that is as and when they land. In every shipment before it is sold, it has to come through the Commission for assessment. If it is not, it is a breach of our Act. That is specified in section 41 of our legislation. These are for regulations that are issued under section 39 and section 44. That also applies for petroleum and gas products.

On the vetting and administration of pricing, we set the maximum, they can go below the maximum, but they cannot go above the maximum. That is why our enforcement activities are quite diverse as well because of the nature of our enforcement activities they have to carry out in the space of where these products are being sold.

DEPUTY CHAIRPERSON.- We can agree that Fiji is a heavily import-based country. Before the goods get here, prices that affect our domestic prices are, change of global oil prices, freight costs and foreign exchange that keeps changing everyday. That information is very important to go out in the public space for them to understand how the prices change or fluctuate, then it is determined by the index that is set, and then consumers pay that price.

MS. A. VONOYAUYAU.- Yes.

HON. V. LAL.- Deputy Chairperson, through you, I have a comment or observation. You have revealed that you will not be able to tell us the methodology. My observation is, when the petroleum prices go up, it normally goes up by five cents, but when it comes down, it is merely a cent or two cents. What is the formula there?

MS. A. VONOYAUYAU.- It is the same application. If the product price is coming down and the freight may not be, it is something that will offset some of the price changes. Exchange rates also fluctuate. For example, looking at US and what is happening in the US territory with our neighbouring countries, that is something that we anticipate - the exchange rate is the third factor that affects our pricing. First is the raw materials, which is the product cost; second is the freight, which is the second highest contributor to the cost; and the third is exchange rate. The least is our domestic clearance or when they transport the product from the wharf - landing station, to the relevant warehouse before it is disbursed to consumers at retail shelves.

I agree with the honourable Member. At times, we do not even like what we do, but the methodology stays. We have to ensure that whatever the supplier should be getting will get it and what the consumers should be getting. Those are the two arms that we deal with at FCCC. Unfortunately, it is not a good standing point to do that work.

HON. I. TUIWAILEVU.- Deputy Chairperson, through you, my question is based on the Standing Committee on Economic Affairs' report on the 2018 and 2019 Annual Report. What provisions of the Fijian Competition and Consumer Commission Act 2010 are outdated and how will the proposed review address the current market challenges?

MS. S. JIUTA.- In terms of our legislation, yes, we did incorporate some of those comments given by the Standing Committee for our 2018 and 2019 Report. As I had stated, in terms of trend analysis, no, we did not capture that moving forward, but we will capture that in our upcoming annual reports.

In terms of our legislation, the Bill is still with our reporting Ministry – Ministry of Trade, Cooperatives, Micro, Small and Medium Enterprises and Communications. As much as we would like it to be changed, considering all the market dynamics that is changing and all the digitalisation processes that we wish to implement, it is still pending with the Ministry.

DEPUTY CHAIRPERSON.- A question that was sent to me which has been buzzing on social media as well is the salary of the CEO. What is the salary, how is it determined and can you justify it?

MS. S. JIUTA.- Deputy Chairperson, my current salary now is \$273,000. How is it determined? It is determined by our Board, and I am not sure how, but the Board actually set my salary.

DEPUTY CHAIRPERSON.- I understand you just joined. Congratulations! What was the previous salary?

MS. S. JIUTA.- The previous salary was at 120 percentile, which was \$328,000.

HON. V. LAL.- I do not know whether you will be in a position to answer my supplementary question or not; with regards to your Board, I can see that out of five Commissioners, you now have only the Chairman, Deputy Chairperson and one Commissioner. Two other Commissioners have resigned according to the report. Are they coming in or who is responsible for what or what are they doing about it?

MS. S. JIUTA.- Deputy Chairperson, in terms of our Board composition, yes, in 2019 to 2022, we were operating with three Board members. But as of February this year, we now have a fully-fledged Board where it is now chaired by Mr. Cecil Arthur Browne; Deputy Chairperson is Mr. Isikeli Tikoduadua; and we have three Commissioners - Dr. Keshmeer Makun, Ms. Adimaibole Waqainabetee and Ms. Kelera Gadolo. We now have a five-member Board.

HON. V. LAL.- Deputy Chairperson, my apologies, this was not reflected in the report, because this is an old report. I can see that most of your complaints are coming from landlords not issuing tenancy, so I think it is 54 percent. What are you doing about that? Are there some sort of regulations that you are bringing in or fines?

MS. S. JIUTA.- Deputy Chairperson, in terms of the landlord and tenancy issues that we are facing, in 2018, in conjunction with the Solicitor-General's Office and also the Ministry of Commerce, Trade, Tourism and Transport, we had prepared and drafted the Landlord and Tenancy Bill and was actually taken out for consultation. We had more than 2,000 submissions put through, we amended it, made relevant changes to it, and at the moment it is still with the relevant Ministry to consider whether it should be put forward to Cabinet or not. However, in terms of what we are doing internally, we still continue to look at rent receipts, tenancy agreements, and we also try to mediate in terms of the conditions and bond refunds to the tenants. We are currently limited in just looking after rent receipts and tenancy agreements, and also the rent freeze order that is currently in place.

HON. V. LAL.- Deputy Chairperson, adding on to that, do not you think that there needs to be some more education - educating the general public, especially the landlords, that there should be one proposed agreement you can give them so that it is in uniformity?

MS. S. JIUTA.- Yes, through you, Deputy Chairperson, in our report, you would have seen that there has been an increase in terms of robust consumer campaigns that we have put out not only in our social media, in the newspapers and also in terms of our print material. We have invested in that for the last three years now. Hopefully, in the next financial year reports, you will be able to see some changes.

Yes, we do consider those gaps, I would say from 2019 to 2022, we are definitely going to strengthen that moving forward.

DEPUTY CHAIRPERSON.- A question on that as well in talking about fair trade, when you look at businesses, there is a freeze on residential tenancy. What about commercial, is there a freeze on it?

MS. S. JIUTA.- Sir, commercial rent is deregulated and it was deregulated way back in 2009. However, in our Prices and Incomes Board (PIB) days, we used to regulate it.

DEPUTY CHAIRPERSON.– For the public who are watching too, right now, if anyone gets a commercial space, the landlord has the prerogative to increase the rent with a notice but there is no limit, or there is no barrier, or nothing protecting our businesses. Is that so?

MS. S. JIUTA.- That is correct, Sir.

DEPUTY CHAIRPERSON.- That is something that needs to be put forward in terms of the cost that a business bears in terms of import costs, VAT on utilities, because when businesses do well, they will be able to have a variety of products, the cost of unit per product decreases and it benefits the wider Fijian market or consumers. I tend to believe and think that it is something that should be considered in terms of protecting our businesses because otherwise, when people set up a business plan and then tomorrow, the landlord probably gets bitter with you and decides to increase the rent because they probably do not see a way of getting you out of the premises, please do consider that in going forward, you protect our businesses under the Fair Trade Policy that you have.

I will continue with my questions and this is in terms of pharmacies. This is a question that was sent to us regarding supermarkets versus pharmacies. Unless you have a chain of pharmacies, you have a smaller operation compared to a supermarket. I will give you an example of band-aid which is off the counter. One supermarket can order a container of band-aid, but a pharmacy will probably buy five boxes. When you buy more, the cost per unit is less and when you buy less, the cost per unit is more, under zero-rated items from the list of medications. Have you done an assessment with the pharmacies in Appendices – Consolidated Review Report of the Fijian Competition and Consumer Commission 2019 – 2022 Annual Reports

Fiji or the Pharmaceutical Board on how pharmacies are able to sustain their operations and their workforce? Has there been a closure of pharmacies? Where are we? That is a chain of business that we need to protect. Can I get your comments on that? How is trade fair when off the counter supermarkets are selling almost everything that a pharmacy is selling? When it comes to prescribed medication, it is zero-rated, so is it fair to our pharmacy owners?

MS. S. JIUTA.- Deputy Chairperson, in terms of how our arm has actually expanded into the pharmaceutical sector, yes, we do take that point into account. Since 2022, we have been looking at issuing licences. We have demarcated our role from the Fiji Pharmacy Profession Board and also the Fiji Medicinal Products Board. We look after licences. Any new pharmacy that wishes to open up, they have to go through a robust regulatory checklist with us before we issue the licences.

In terms of how they operate, we do not have those powers under the Amendment Act. However, we are currently working collaboratively with the Fiji Pharmacy Profession Board and the Fiji Medicinal Products Board, entering into an MOU with our sister Council, the Consumer Council of Fiji in trying to address some of those issues. However, in terms of conducting an analysis or market study on it, we might have to do that in the future.

DEPUTY CHAIRPERSON. - Please, do consider that. I would like to declare my interest because my mom used to work in a pharmacy her entire life so I grew up in one, and my sister studied pharmacy back then but she is no longer a Pharmacist. However, those are some of the challenges that the fraternity talks about.

A question was sent to us, and correct me if I am wrong, I will read out the question. Under the previous government, it was an overnight decision to change the pharmacy ownership from two to five. What are your thoughts and comments on that?

MS. S. JIUTA.- Deputy Chairperson, if I can be given some time, we can come back with the answer. I do not have an answer for you right now. I will have to check on that.

HON. P.K. RAVUNAWA.- Congratulations, Madam CEO, and also the new team on the block. Thank you for your presentation this morning. My question, how is FCCC working towards other stakeholders to support the sustainable affordable energy policies?

In your presentation, you talked about the work towards green energy. My question is, how is FCCC working towards supporting the sustainable and affordable energy policy, if you have any?

MS. S. JIUTA.- Through you, Deputy Chairperson, in terms of us aligning to the SDGs, we have tried to take that into consideration this year. We have also partnered with other strategic partners, such as Market Development Facility (MDF), United Nations Development Programme (UNDP) and Fiji Renewable Energy Fund (FREF) that is currently in place. The FCCC is working in collaboration with our strategic partners to prepare frameworks around the regulatory mechanism. Those are areas that we are still working on with them and we hope to implement that in this financial year.

HON. P.K. RAVUNAWA.-That is a good way forward because of the fossil fuel, our transportation industry and, of course, the lights and energy that we need in our home and also in the industries.

My other question is to do with rental complaint. This is an important question that you can respond to and highlight for the benefit of the public as well. That continued to increase from 2016 until the reporting year. What is FCCC planning to do? Do you have any policy that you want to bring to the table for discussion with the landlord and with the tenants or how is FCCC going to help our consumers who are renting out there in the housing sector to alleviate them from the burden of paying rent at this time?

MS. S. JIUTA.- Deputy Chairperson, through you, that is correct, landlord and tenancy issues are a major concern right now in our Fijian market and, yes, we have also noted that. As I had mentioned to honourable Lal, in terms of policy, we have prepared the Landlord and Tenancy Bill. It is a robust tenancy Bill. It caters for everything, not only rent receipts and tenancy agreements but also talks about refunds, bond issues, having a registrar, an independent body that looks after landlord and tenancy issues. We have tried to replicate the Australian system, however, accommodating it to the Fijian market.

Deputy Chairperson, policy-wise, yes, we have done what we needed to do and the policy papers around it has been prepared and submitted, so we are hoping that the relevant Ministries will push it through with this current Government.

HON. P.K. RAVUNAWA.- Thank you, Madam CEO. My other question is to do with the pharmacy as well. We have the Free Medicine Scheme that is currently running at the Fiji Pharmaceutical and Biomedical Services (FPBS). Sometimes, there are different prices

provided by retail pharmacies that are operating under that Scheme, compared to the pricing from FCCC. Are you aware of that? If yes, what are we going to do about it?

MS. S. JIUTA.- If there is a difference in prices, it is lodged to us. They do report it to us, and we do attend to it and take enforcement actions. But in the meantime, we have not received any complaints on that. Please, do submit it to us if you do have any.

HON. P.K. RAVUNAWA.- Through you, Deputy Chairperson, it would be nice if we can synchronize the price so that patients are not disadvantaged and also for Government to be transparent in the rollout of that Scheme.

MS. S. JIUTA.- Thank you, Sir, we will make sure and look into it.

HON. P.K. RAVUNAWA.- I will come back to you.

MS. S. JIUTA.- Thank you.

HON. V. LAL.- Deputy Chairperson, through you, Sir, just going back to honourable

Ravunawa's original question in regards to energy. The EFL power supply sometimes fluctuates, there is a surge, so my question is, have you received any complaint from the customers in regards to their electrical appliances going bad due to the surge in power supply?

MR. S. JIUTA.- Thank you, honourable Member. Not recently. We have not received any complaints, but if we do, we do attend to it. However, our team cannot think of any as of now.

HON. V. LAL.- Deputy Chairperson, the reason why I am asking the question is because I have faced this myself. A number of times, we have seen there is a fluctuation in the surge of power supply. At least, once a week in our area, we experience that and I think you, as a regulator, also want to see that people have their services properly supplied to them. Are you also taking that with EFL on why that is happening?

HON. P.K. RAVUNAWA.- Just a follow-up question on that, Deputy Chairperson. You have experienced what the honourable Member had experienced, and I believe many members of the public have also encountered issues of getting their white goods damaged because of power fluctuation. Do you have a helpline or any sort of telephone number or anything that the public can use to register their complaint if they come across that difficulty?

MR. J. KUMAR.- We do not have a toll-free line, but the Consumer Council does. We are not mandated to do that. If someone needs to lodge a toll-free complaint, we have an MOU with the Consumer Council, so you can make a complaint to them on the toll-free line and they will refer it to us. We also have all our social media channels. You can report it to our website, as well as any of our central offices, so if you go to our website, we have a contact page, whichever division you happen to be in, and there will be a specific contact for you for that.

HON. P.K. RAVUNAWA.- Deputy Chairperson, I believe some people have logged into the channel through your website, sending you email, but they are not getting any response. It would be nice if you try and put up a helpline. I will give an example. I go to a supermarket and do not see a price tag displayed on an item. The shopkeeper can easily charge more. If I feel that I have been cheated and if you have a toll-free line, it would be helpful to register my complaint directly to FCCC. I believe that is a good way to improve our customer and our supplier relationship.

MS. S. JIUTA.- Through you, Deputy Chairperson, yes, we will definitely take that on board and, hopefully, we can implement it in this financial year. However, in terms of our contact lines, we have 892-1991 and in terms of our email, it is helpdesk@fccc.gov.fj. In terms of the toll-free line, we will definitely work on that.

HON. R.R. SHARMA.- One of my questions is regarding pharmacies with your surprise inspections. There have been cases of pharmacy assistants, dispensary assistants, dispensing medications. Sometimes, the pharmacy is operating, and the pharmacist is not there, sleeping at the back, or God knows where, running an errand maybe, and it has been happening. Have you encountered such cases? If you do, what are the steps? Is it immediate closure of the pharmacy? What fines are in place?

MS. S. JIUTA.- From FCCC in terms of licences, there is a provision that there must be a pharmacist present, however, we have not received any complaints. However, when we do, we will have to put a notice to the company, and then enforcement actions, and the next step forward which is a drastic one is to close them off. As of this past year, we have not received any complaints as such.

DEPUTY CHAIRPERSON.- What are the fines in place?

MS. S. JIUTA.- I will have to get back to you on that, Sir.

DEPUTY CHAIRPERSON.- In terms of price regulation, what percentage of your work is part of public consultation? Right now, you go on the street and you just talk to 10 people and I am just saying, maybe 50 plus one percentage of people will say that cost of things are going higher and higher. What part of FCCC plays with public consultation in terms of their price determination? Is there any – in terms of your awareness or advertising is different – but public consultation?

MS. S. JIUTA.- In terms of policy changes such as, EFL tariff review or water tariff review, we do conduct public consultations and that is nationwide throughout the two major islands. We also call for submissions. However, our awareness is something that we are currently strengthening with our internal processes. We now have a Communications Team that looks after awareness. However, we do engage in public consultations, especially when the cost of living is an issue that has come up especially during the budget consultation, and the team is working around it on some policy suggestions that we can put through.

DEPUTY CHAIRPERSON.- Talking about backlog in courts, as per 31st July, 2022, there were 492 backlog cases. With FICAC, they used to have an anti-corruption court within but no longer there now. What people say is FCCC or Small Claims Tribunal. Do you feel that FCCC should have an in-house system? For example, with the referee that they have at Small Claims Tribunal, there had been cases where people felt they did not get justice. The process from there is to get a lawyer and get a court date, and it is going to consume money and time. I feel that that is an old system that needs to be looked into by the current Government, or by any government, or even by FCCC, because people either bring a complaint to you as a consume – if they have been cheated by a supplier – or they go to Small Claims Tribunal. In terms of your 2018 to 2022 Strategic Plan, what are your views on ensuring people that they get the right of what they purchase and are safe?

MS. S. JIUTA.- One mechanism that used to be in place was the issuing of spot fines. As soon as an enforcement issue is brought to our attention, we get our team on the ground and then they can issue spot fines. However, that has ceased for some time now, and that is an area that we are currently pushing with the relevant Ministry – if those powers could be given back to us.

However, for us to have our own system, to be judge, executioner and jury at the same time, we cannot do that, in terms of transparency and accountability. It is always good that we file necessary charges, and it is determined in court. Our case numbers have drastically decreased this financial year. It is now at 114 cases as of last month, from the 300. In the upcoming annual reports, this will be reflected accordingly.

HON. V. LAL.- I have seen in your presentation that the number of employees have increased, which is good. How often do you do inspections? Do you have enough manpower? You cannot be everywhere all the time. What about in terms of maritime islands and other parts of the country, your visibility so that people are not cheated and all of them follow the law, are you able to manage with that number?

MS. S. JIUTA.- That is what we ask for every year when it comes to budget submissions and, hopefully, in this upcoming Budget, that will be considered. Definitely, out of the 86, there are only 20 of them who are Enforcement Officers and when it comes to major inspections, for example, the Easter inspection, I have to haul the whole staff out to ensure that everyone is out on the ground during that Easter inspection.

Moving forward, that is how we can try and maximise utilisation of our current team but every year, year in year out, we are always asking for expansion of our enforcement team as well.

HON. V. LAL.- Deputy Chairperson, are you saying that inspections are mostly done during those times - Easter, Diwali, Christmas and New Year?

MS. A. VONOYANUYANU.- Apparently for inspections, we have scheduled inspections.

Those are the tour plans because for travelling to the rural and maritime, we usually give our team one or two weeks for that coverage. They cover areas, like Namosi, and they go to the Lau Group, and then to Rotuma for a week or two for coverage. Those are the tours outside the mainland. We call it festive inspections where people usually go in and buy whatever they want.

We usually look at Christmas, Back to School, Diwali - those are festivities that we target because we have cases. We rely on our historical inspection trend to target those inspections as scheduled. It is not only for certain times, but we have scheduled those, along with our workplan for the annual period.

HON. V. LAL.- Deputy Chairperson, a supplementary to that; last year during Diwali, we noticed that the price of ghee just suddenly went up because they know that ghee will be widely used. What is the Council doing in regard to that?

MS. A. VONOYANUYANU.- For FCCC, our last resort is to do regulation. We do as much awareness as we want to work with them. If they do not follow, then the last resort is to issue a regulation and that is what we have done for ghee. We can choose whether that is targeted at the wholesale end or at factory end or at the retail end. It is not like it is just a blanket regulation, it is something that we assess the market to ensure which is targeted, and then the relevant regulations are issued. Currently, that is the case for the ghee.

HON. P.K. RAVUNAWA.- Deputy Chairperson, can FCCC outline the criteria used in determining which goods fall under the price control and whether there are plans to expand that to other essential household items?

MS. A. VONOYANUYANU.- Yes, we will just take a step back to when it was initially introduced. We have a basket of goods, so every individual household will have these goods on their basket, for example, every fortnight as they have get their pay. That is how we determine the list and criteria.

We are currently doing an inquiry into the market for the grocery sector, which is something we are considering, to relook at that list and because we did a preliminary last year, for a sector based in the Western Division for a chain of supermarkets, the highest consumption demand is water. Those are things that we really do not want to touch but we wanted to do an assessment on the market itself and then make necessary recommendations.

HON. P.K. RAVUNAWA.- Deputy Chairperson, just a supplementary on that; we have a big rate of Non-Communicable Disease (NCD) in Fiji and FCCC, in regulation of sugar and sweetened products that are coming to our shores. Would you have any policy, or would you have any thought of having a regulation on the importation of sugary products into our country in the near future?

MS. A. VONOYAUYAU.- Sir, yes, sugar is regulated and considered essential under the basket. On that side of the coin for NCD target, the last increase on sugar was just recently in 2023 where we increased the price of sugar. We hoped that, that would reduce consumption. The government as well has imposed levies on the sugary products coming in. That was some of the policy directions by the Government but as I have said, in the FCCC, we are currently in the grocery assessment stage and that is something we are also looking at - the current list of price control, whether it is an expansion or is it a reduction, is something that will come up clearly when we finalise that. HON. P.K. RAVUNAWA.- Deputy Chairperson, I think healthy living is quite expensive. While you are considering what goes in the basket, also consider the healthy choices that people can afford in order to live healthy in their household.

MS. A. VONOYAUYAU.- Sure, thank you, Sir.

DEPUTY CHAIRPERSON.- A supplementary to that, for price controlled items, do you have a list of items that once the price is controlled, it is wiped out from the Fijian market? In terms of medication, they come in volumes and when the volumes are higher, the cost per unit is lower. Sometimes, medication comes with a short expiry date, but they do not have long shelf life. Let us assume so. For that, do you have a list of items that once it is price controlled, it can be consumed by the market, but then it is not even viable or profitable for the supplier to even bring it in because he has to reduce his cost because the margins he was making here was almost to nothing and products have gone out of the market? That ingredient probably is available in some other product coming from some other country now. Have you any data on that?

MS. A. VONOYAUYAU.- Sir, for the grocery sector, FCCC has seen that there is an expansion in the same list. Despite its regulation, they have different brands and the brand comes in different costs. You will have a very high ranking brand with a very high cost. We are considering of looking at perhaps, those ones that are not for normal consumers and can afford it, something that we can exempt from the list.

However, the condition is, for all regulated, it should have, at least, a base of what the product is listed as controlled. They cannot say, "We have a list and we do not have the product", that does not work for a regulatory arm. Every time we do surveys, we also have a survey arm that does that on a weekly basis, which is the reason why we have to ensure that whatever is in the market is something we have on our list. We cannot have something that is not on the list and is not on the market as well.

DEPUTY CHAIRPERSON.- It is your mandate to regulate prices and how goods are consumed. Do you regulate how goods are disposed, or should FCCC look into that? The reason is, you look out for expired products, you look out for damaged products that will be harmful to the consumer. What will happen after a fine is issued, the supplier is notified, how are the products disposed? Who looks into that?

MS. S. JIUTA.- Deputy Chairperson, for expired items, we work in conjunction with the Ministry of Health - the Health Inspectors. We go out for inspection purposes. We go out as a team, not only with the Ministry of Health, but also with department inspectors.

When we do see expired items, we do not have the authority to dispose. However, it is within the ambit of the Ministry of Health. They have the authority to dispose off these items. As to how they dispose it, I am not aware how they do that.

DEPUTY CHAIRPERSON.- There is something that I did think of and I thought the Ministry of Environment or Ministry of Health would intervene, but I think it is something to consider on how these products are disposed because they have changed in nature. They can be reactive. They can react with other things that can have bigger impact on the lives of our people.

Lastly, I have a question on the regulatory fees. Does it still require Board approval and is it confined to certain usage - the regulatory fees earned by FCCC?

MS. S. JIUTA.- Sir, for regulatory fees, yes, it needs to go through for Board approval. We always put in acquittals and also budget line for that. It is specifically just for operation purposes. We cannot use any salaries from it.

HON. I. TUIWAILEVU.- Deputy Chairperson, I have a question. With the noticeable rise in NCDs in the country, particularly linked to the consumption of imported food, is there any forum or a group of responsible entities or stakeholders that regularly meet to assess or regulate, make decision regarding the importation of such food products in order to protect public health and prevent further spread of these diseases?

MS. S. JIUTA.- Through you, Deputy Chairperson, in January this year, we signed an Memorandum of Understanding (MOU) with the Consumer Council of Fiji. That was championed by the Ministry of Co-operatives, Micro, Small and Medium Enterprises and Communications in terms of working in conjunction for food product safety. We are all working together with other relevant authorities in looking at this. The team have yet to meet in terms of putting in policy suggestions on how we can improve that.

DEPUTY CHAIRPERSON.- You can correct me if I am wrong, that is why we are putting the questions to you. The Fijian market is more of a price-determined market rather than quality. Is it true? Do you want the cheapest rather than quality? If you go out into the public, you will hear normal conversations, "I think the products that are in our supermarkets are like the low grade of that particular country. They keep the first grade, they send the low grade to us." Those are some of the views of the people on the ground. Please, elaborate or correct me if I am wrong.

MS. S. JIUTA.- Deputy Chairperson, in terms of the food items that we regulate, again, they are just the basic food items. In terms of quality, that is the role of the Department of Standards. That is something that we try to work with them in terms of improving the

standards and quality of products that are brought to our shores. That is why we have formed that MOU with the relevant authorities to look at some suggestions in policy changes.

HON. I. TUIWAILEVU.- Deputy Chairperson, through you, I noticed the differences in price of goods in the urban area and the rural area, especially considering that rural communities often have less access to incomes. There is a rise in price. I noticed even in the taxi that comes from Labasa to the airport which start at \$2.30. In Suva, it is \$2.00.

MS. A. VONOYAUYAU.- For taxi operators, we will have to look at our price authorisation that is issued. For airports, they have a different rate from the normal. That is their consideration before and now, with that demarcation of the level of service as well that they are to offer to the public that is different from the service for normal operators. But that is something for the transport sector because ever since we were mandated to look at the transport sector as well, that is something that we are trying to look into, but like I said, permit is issued by another agency, while FCCC sets the fares and the rates, like for bus.

I am talking in general. We have stages that are set, for example, for long haul. Then we come in just to set how much it will cost the operators to service per kilometre. That is something we are talking with the relevant authority – the Land Transport Authority, as well as other agencies, with our line Ministry, that we are trying to improve, something that is much more than setting rates. It is on the service itself - the quality of service, the standards, so it is something that we were looking at. It is not only on one sector, taxi, for example, but we are looking at the rest of the sector in the transportation sector.

HON. I. TUIWAILEVU.- A follow-up question on the price of goods. There are some small canteens where prices skyrocket. Can you comment on that, please?

MS. A. VONOYAUYAU.- Thank you, honourable Member. Yes, we have received complaints and like Madam CEO has mentioned, our enforcement usually go out on schedules. When we receive complaints, that is something that we do - go and attend as we receive it. We call small canteens as corner shops or corner canteens and for them, we have targets, like red target areas that we usually go for, to look into these matters because we do not have spot fines. It takes years to take a 20 cents overcharge to court for that reimbursement, so that is the reason why we have asked for that to come back - spot fine, to facilitate that because if not, 20 cents for two years, I can get that. This is something that we usually talk about. Yes, we do agree that that is an issue that we are facing.

HON. I. TUIWAILEVU.- Thank you, Deputy Chairperson, and to suggest that we bring back that policy.

HON. P.K. RAVUNAWA.- Deputy Chairperson, what provisions are in place to protect vulnerable Fijians when there is a hike in fuel price, for example, and when operators try to increase the rate, the tariff, the fare, it takes quite a lengthy process? The FCCC determines the rise and the fall of fuel prices, so the operators are at a disadvantage, I would say. Do you have a mechanism in place to cushion these hikes in fuel prices for those in the transport industry and the like? The Government gives you subsidy, so that is just a general question that would help the public.

HON. R.R. SHARMA.- Just to add to that before you answer, I think in the Northern Division, it is 10 cents per litre of subsidy, and in the rest, I believe it is two. That is for bus companies, so I am just putting my question with his.

MS. S. JIUTA.- If we can come back in writing on that. We do not have an answer at this moment.

DEPUTY CHAIRPERSON.- I believe a subsidy is given to particular entities for that, but for Northern – what I have data on it – it is 10 cents per litre, and maybe for Viti Levu it is just two cents. Please, I can be corrected. Those figures do change.

My last and final question – there are two parts to this – your corporate social responsibility towards environmental conservation, and second part to that is, your awareness and advertising. What platforms are you on in terms of digital platforms? One of the suggestions is to post more interactive and educational videos because the younger generation do not like to read posts – forget about buying newspapers. That is just a suggestion to it. Two parts to it, the environmental conservation efforts and your digital platforms that FCCC is on for awareness and advertising.

MR. J. KUMAR.- We have a dedicated Environmental, Social and Governance (ESG)

Department and when it comes to sustainability, we are looking at it from inward and outwards. Even in our operations, we try to emphasise digital services as much as possible, reduce printing and externally, we support any initiative that is towards renewable energy. As Madam CEO has mentioned, our recent MOU with Market Development Facility (MDF), we are looking at streamlining how solar energy installations are done. On the awareness side, I absolutely agree that we should go into videos. We are currently working on getting equipment. We do recognise that, for example, rising prices as discussed. We are currently trying to mystify it for the laymen because there is a lot of economic force, and as you have mentioned, people do not know this.

Most recently, in *The FijiSun*, we have started an article called *Market Matters*, where we try to explain these concepts in simple terms. In parallel to that, we will take the same content and try to put it on video platforms so that those who are not into reading so much will be able to understand that. Currently, the platforms we are on are *Facebook*, *LinkedIn*, *X* (*Twitter*), *Instagram* and *TikTok* which is also being relaunched.

HON. P.K. RAVUNAWA.- Do you have a new strategic plan in place?

MS. S. JIUTA.- We are currently working on it. The 2018-2023 Strategic Plan has been completed, and we have reviewed it. We are working now towards a new Strategic Plan and, hopefully, by the next financial year – 2025 or 2026 – we will have it launched.

HON. P.K. RAVUNAWA.- It is important that it reflects the evolving socio-economic

landscape of Fiji. I like your Report, but it is more like an activity. It is not like strategic to clearly demarcate your targets and what you are trying to achieve. It is more like a story.

HON. I. TUIWAILEVU.- What are the other plans for FCCC to improve your service in order to prevent fraudulent activities, to ensure that the public benefits from the service in a different sector you oversee?

MS. S. JIUTA.- Definitely digitalisation. There is a need to move towards digitalising our processes internally. One of the areas that we are currently looking at is improving our services within. We need to cut out all these bureaucratic processes we have, and we need to try and put in more policy changes. A lot is happening within the FCCC and primarily not much is put out there. A lot of awareness needs to be put out, and enforcement is one area that we really wish to strengthen this upcoming financial year.

Ideally, I would like to have about 200 staff, but currently working with 86, who are good at maximising the limited the resources we have. Enforcement, digitalising our processes and putting out as much awareness campaigns and looking at targeting specific age groups, as mentioned by the Deputy Chairperson – moving forward – are some of the key areas that we wish to look at. There are definitely regulating aspects to it. For the last 12 years we have been regulating these industries, and it is about time we look at assessing the impacts of these regulations for the past 12 years, and how to come out with better

regulatory reforms for our country. Those are some of the strategic plans we intent to put in place.

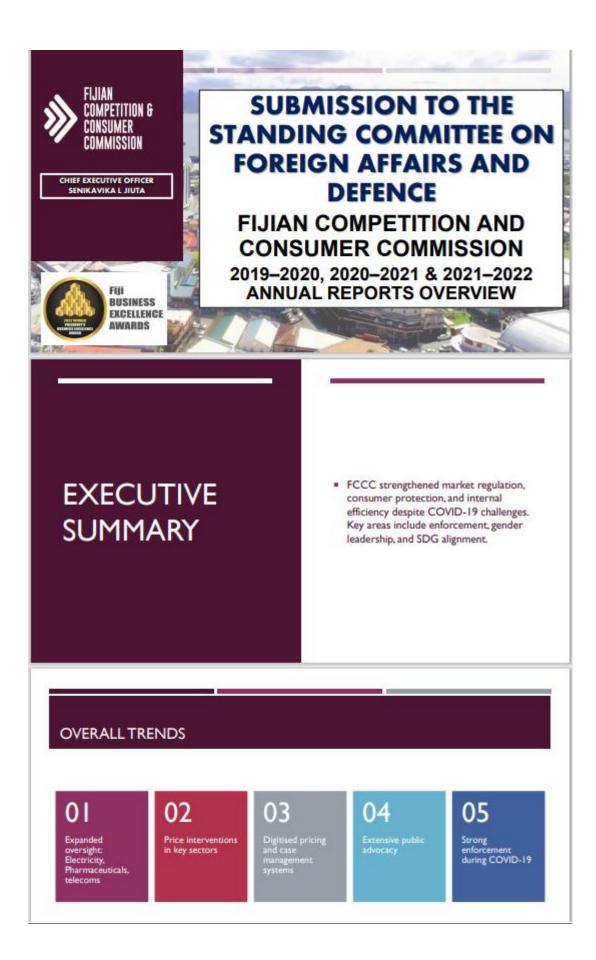
DEPUTY CHAIRPERSON.- Thank you, honourable Members, for all your questions and to the people who are online, our viewers who sent the questions and to the FCCC Management. To the CEO, I know you are not a new face to FCCC, she has been there for a very long time. We welcome and congratulate you on your new position of leadership and of leading FCCC.

For public information, the FCCC was established under section 7 of the Fijian Competition and Consumer Commission Act of 2010. They play a regulatory role in oversight fair trade and are committed to fostering and preserving conducive market conditions for the benefit of all Fijians and consumers. We have heard your recommendations in going forward and this will help the Committee to write a report and present it to Parliament, hopefully, in the next sitting, which will be for debate.

We wish you all the very best in your role and sincerely thank you for availing yourselves for this meeting. We hope that you will avail yourselves if the Committee has any further queries on this matter. On that note, I declare this meeting closed.

The Committee adjourned at 10.26 a.m.

Written Responses



OVERALL TRENDS

INSPECTIONS CONDUCTED: 35,563

AWARENESS SESSIONS HELD: 1,384

COMPLAINTS RECEIVED: 3,882

Revenue increased from \$5.45M in FY2019– 20 to \$6.96M in FY2021–22.

FINANCIAL & WORKFORCE OVERVIEW

TREND ANALYSIS

- FY2019/20

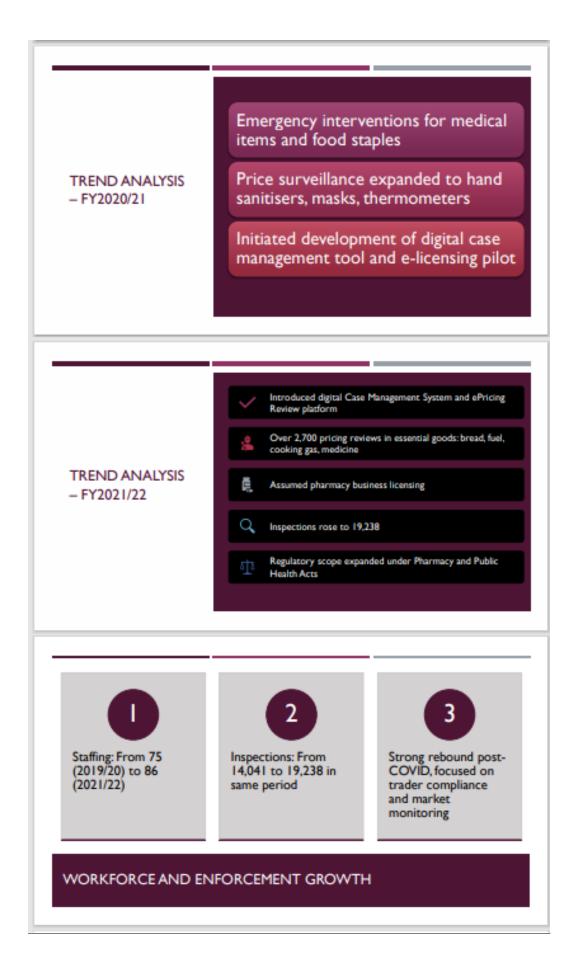
Expenditure remained controlled, ensuring surpluses in each year.

Net assets grew from \$1.15M to \$2.36M.

Employee headcount rose from 75 to 86 fulltime staff.

REGULATED PRICES IN CEMENT, FUEL, GAS, RICE, FLOUR, AND SUGAR

COMMENCED TRANSITION TO DIGITAL PLATFORMS FOR CASE TRACKING



SECTORAL FOCUS AND INTERVENTIONS

Transport: Fare-setting and consultations

Electricity: Licensing and tariff oversight

Pharmacy: Licensing, structural reforms

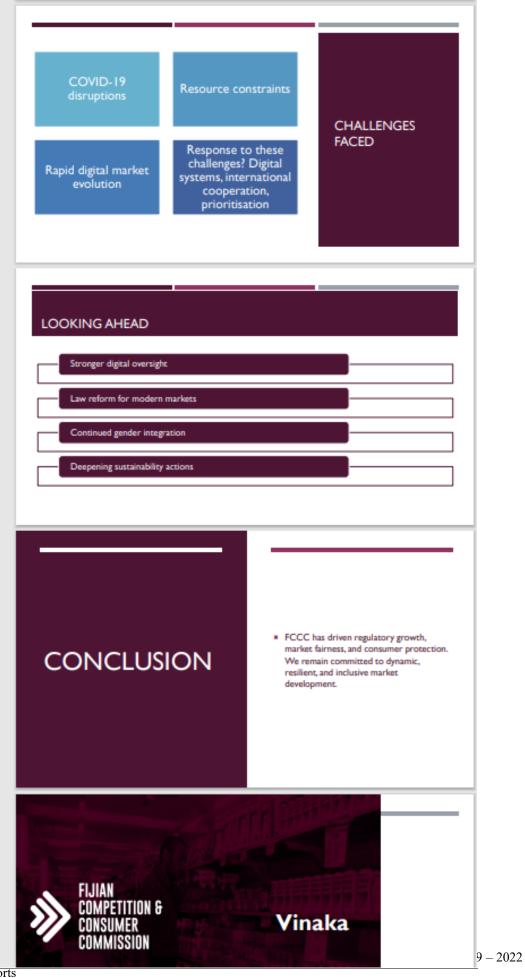
Rent: Ongoing enforcement and awareness

Essentials: Over 2,700 reviews in 2021/22

Digital: Market studies and e-commerce monitoring

GENDER AND LEADERSHIP





Appendices Annual Reports



Additional Information



SUBMISSION TO THE STANDING COMMITTEE ON FOREIGN AFFAIRS AND DEFENCE

2019 – 2020, 2020 – 2021 and 2021 – 2022

ANNUAL REPORTS

This submission provides an overview and analysis of the Fijian Competition and Consumer Commission's (FCCC) activities, performance, and strategic developments from 2019 to 2022. During this period, FCCC significantly enhanced market regulation, consumer protection, and internal operational efficiency despite the unprecedented challenges posed by the COVID-19 pandemic and evolving global economic circumstances. The Commission maintained robust regulatory oversight, strengthened its enforcement mechanisms, supported gender diversity in leadership roles, and aligned its strategic objectives with the Sustainable Development Goals (SDGs).





May 6 2025

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Executive Summary

Indicator	FY2019–20	FY2020–2	1	FY2021–22	
Total Revenue	\$5,452,926.00	\$6,771,170.00		\$6,963,174.00	
Total Expenditure	\$4,739,745.00	\$5,609,183.00		\$6,524,693.00	
Surplus for the Year	\$713,181.00	\$1,161,987.00		\$438,481.00	
Total Assets	\$2,706,536.00	\$4,611,892.00		\$4,097,792.00	
Total Liabilities	\$1,548,769.00	\$1,814,883.00		\$1,739,264.00	
Net Assets	\$1,157,767.00	\$2,797,009.00		\$2,358,528.00	
Number of Employees	75	81	86		

or the period (FY 2019 – 2020, FY2020 – 2021 and FY2021 – 2022)

Inspections Conducted

Inspections conducted: 35,563

Awareness sessions held: 1,384

Complaints received: 3,882

Trend Analysis of Key Achievements (2019–2022)

From 2019 to 2022, FCCC progressively strengthened its regulatory framework, notably expanding its oversight responsibilities in critical sectors such as electricity, pharmaceuticals, and telecommunications. Key achievements include:

Regulatory Expansion

Enhanced regulatory responsibilities under the Electricity Act 2017, Pharmacy Profession (Budget Amendment) Act 2022, Medicinal Products (Budget Amendment) Act 2022, and the Public Health (Amendment) Act 2021, significantly expanding FCCC's oversight capabilities.

• Market Interventions

Proactive reviews and price-setting in essential sectors, including pharmaceutical, telecommunications, and transport, ensuring affordability and fair competition.

Digitalisation

Implementation of advanced electronic systems for pricing reviews and a comprehensive case management system to manage complaints, greatly improving operational efficiency.

• Consumer Advocacy

Launch of extensive consumer and trader awareness campaigns, dramatically increasing engagement through social media platforms, workshops, and community outreach programs.

Enforcement Actions

Robust enforcement actions against unfair trade practices and price manipulation during the COVID-19 crisis, protecting consumers from exploitation.

Major Sectors of Concern and Key Actions (2019–2022)

Over the three-year period, FCCC addressed persistent consumer and market challenges across several priority sectors:

• Transport Sector

FCCC introduced a cost-based fare-setting model for public service vehicles and oversaw interim authorisations to maintain affordability while ensuring commercial viability. Regulatory frameworks for bus, minibus, and taxi fares were reviewed through inclusive stakeholder consultations.

• Electricity Sector

FCCC assumed regulatory oversight under the Electricity Act 2017, implementing a structured licensing and tariff review system. This included ongoing monitoring of Energy Fiji Limited and facilitation of new entrant participation.

• Pharmaceuticals and Medicinal Products

Following amendments to relevant Acts in 2022, FCCC assumed responsibility for licensing and market conduct oversight of pharmacy businesses and medicinal products. This shift enabled enhanced competition and dismantled former structural restrictions on market entry.

• Residential Rent and Tenancy

FCCC continued enforcement of the Rent Increase Restriction Order and investigated high volumes of complaints regarding unlawful rent practices. A systematic consumer education campaign was also rolled out to address tenancy awareness gaps.

Essential Goods and Price-Controlled Commodities

Price reviews increased significantly during this period, peaking at over 2,700 reviews in 2021/22. Market surveillance was enhanced to ensure pass-through of duty reductions and zero-rated VAT adjustments to consumers, with a focus on food, fuel, and hygiene products.

• Digital Markets and E-Commerce

FCCC initiated market studies on the digital economy to better define market power and potential abuse in e-commerce. This includes ongoing monitoring of misleading online claims and anti-competitive digital trade practices.

These interventions were grounded in evidence-based regulatory frameworks and reflected FCCC's ability to respond to evolving consumer risks and market dynamics across the Fijian economy.

Year-on-Year Growth in Staffing and Enforcement Activities

FCCC's capacity to regulate and enforce has grown progressively over the 2019–2022 period:

- Staffing Growth
 - 2019/2020: 75 full-time employees

O 2020/2021:81 (minor attrition due to funding constraints)

○ 2021/2022: 86 full-time employees

► This reflects a **net increase of approximately 6.6%** in staffing since 2019/20, with a targeted focus on enforcement, legal, and regional operations.

• Enforcement Activity Growth (Inspections Conducted)

o 2019/2020: 14,041 inspections

O 2020/2021: 1,281 inspections (lowered due to COVID-19 restrictions)

○ 2021/2022: 19,238 inspections (**+81.1% over prior year**, **+36.9% over baseline**

2019/20)

► This rebound highlights FCCC's intensified market monitoring and postpandemic enforcement efforts

Gender Breakdown of Staff with a Focus on Women in Leadership

FCCC maintained a progressive stance towards gender diversity, with steady female representation around 44% of total employees across the reporting period. Notably, key leadership roles, including the position of General Manager Operations and later Acting CEO held by Ms Senikavika Jiuta, underscored FCCC's commitment to gender equality and female empowerment in senior management positions.

Women's Participation in Consumer Protection

Throughout the reporting period, FCCC has demonstrated a sustained commitment to gender inclusion, particularly within regulatory and enforcement functions. Female staff consistently comprised approximately 44% of the workforce, with women holding key leadership positions in enforcement and legal affairs. Notably, Ms. Senikavika Jiuta served as General Manager Operations and later as Acting CEO, directly overseeing compliance activities, market surveillance, and trader accountability initiatives. These efforts reflect FCCC's institutional alignment with SDG 5 (Gender Equality), with gender participation actively integrated into decision-making roles impacting consumer protection nationwide

Alignment with Sustainable Development Goals (SDGs)

FCCC's strategic operations consistently align with key SDGs, notably:

- **SDG 8 (Decent Work and Economic Growth):** Ensured fair market practices and consumer protection, supporting stable economic growth.
- **SDG 5 (Gender Equality):** Actively promoted gender diversity and inclusion, especially in leadership roles.
- SDG 12 (Responsible Consumption and Production): Advocated for responsible marketing and environmental claims, actively addressing and enforcing actions against greenwashing.
- **SDG 13 (Climate Action):** Integrated environmental and climate-change criteria into regulatory reviews, demonstrating clear commitment to sustainable practices.

Main Challenges Faced

The primary challenges faced by FCCC during this reporting period included:

COVID-19 Pandemic

Significant disruptions in global and domestic supply chains required immediate interventions against price gouging, hoarding, and ensuring continuous supply and affordability of essential goods.

Resource Constraints



Persistent funding limitations affected broader enforcement and awareness activities, necessitating strategic prioritisation and efficiency improvements.

Dynamic Market Conditions

Increasing complexities of digital market regulation demanded extensive capacity building and adaptation of existing regulatory frameworks.

FCCC effectively navigated these challenges through proactive strategies, such as digital transformations, stakeholder engagements, and international collaboration.

Future Strategic Plans

FCCC's strategic outlook includes:

• Enhanced Digital Market Oversight

Intensifying regulatory actions and market studies on e-commerce and digital platforms to address evolving market practices and consumer protection concerns.

Legislative Strengthening

Reviewing and proposing updates to existing competition and consumer protection laws, ensuring robust frameworks responsive to contemporary market needs.

Continued Gender and Diversity Initiatives

Strengthening internal policies and practices to enhance gender diversity and equal opportunities at all organisational levels.

Sustainability Initiatives

Expanding efforts to combat greenwashing and integrating robust sustainability measures into broader regulatory processes.

FCCC remains steadfast in its mission to foster fair, competitive, and sustainable market conditions, contributing significantly to Fiji's broader economic stability and consumer welfare.



Conclusion



FCCC's efforts over the period 2019-2022 have substantially improved market regulation, consumer protection, and organisational excellence, aligning closely with national priorities and global sustainability standards. The Commission remains committed to evolving proactively in response to market dynamics and global economic challenges, ensuring continued service to Fijian consumers and businesses.







1. Can you clarify the rationale behind the previous government's overnight decision to change the pharmacy ownership limit from two to five, and what are your thoughts on its implications?

The amendment to increase the pharmacy ownership limit in Fiji from two to five was intended to provide registered pharmacists with greater opportunities for business expansion, while also enhancing the accessibility of pharmacy services in underserved and high-need areas.

This also contributes to enhancing market competition, removing barriers of entries and improving the quality of services offered by pharmacies, while ensuring sufficient competition to drive price reductions.

By enabling pharmacists to scale their operations, the reform encourages innovation, efficiency, and investment in the sector. It supports the development of a more dynamic and responsive pharmaceutical landscape one that is better equipped to meet the evolving health needs of the population. The increased ownership capacity also promotes wider geographic coverage, helping to ensure that essential medications and professional advice are more readily available across the country.

Overall, the change reflects a forward-looking approach to health service delivery, empowering professionals while fostering a more competitive and consumer focused pharmacy sector.

The change of pharmacy ownership was reflected in the Bill for an Act to amend the Pharmacy Profession Act 2011 <u>https://www.parliament.gov.fj/wp-</u>

content/uploads/2022/07/Bill-No.-43-Pharmacy-Profession-Budget-Amendment.pdf

2. Can provide insights into the Landlord and Tenancy Bill - this would provide more stance for the Committee to include and push for the recommendation?

In 2017 upon FCCC (as Commerce Commission) recommendations for the extension of the rent freeze order, a recommendation was also forwarded simultaneously for the establishment of a specific legislation to address 'Landlord and Tenant Issues'. The Commission spearheaded the development of





this new law, given its experience as a regulator for rent control and consumer protection.

The new legislation is targeted at addressing the following.

- i. Criteria of properties to be rented for residential purpose.
- ii. Mandatory Registration of properties to be rented with FCCC

iii. Clear definition of landlords and tenants. iv. Terms and conditions of tenancy that is fair and reasonable to both parties.

- v. Methods to determine fair and reasonable rent.
- vi. Redress mechanism that is simple, cost effective and timely; and vii. A Rent tribunal to deal with tenancy issues.

In addition, the proposed laws to clearly spell out the rights and responsibilities of the landlords and the tenants and also address the issues related to the methods of determining a fair rent, bond, evictions, termination of an agreement, and other related matters will arrest the current loopholes in the current system and this will allow the government to remove the rent freeze and subject all tenancy matters under the new legislation.

3. Are you aware of the pricing discrepancies under the Free Medicine Scheme between retail pharmacies and the FCCC-regulated prices, and what steps are being taken to ensure price consistency and transparency to protect patients and support government accountability?

The FCCC current price control extends to 75 categories of essential medicinal items that include generic medicines. Price Determination shows the Maximum Wholesale and Maximum Retail Price.

This means that pharmacies can charge for the regulated items at the maximum price or below the maximum price set.

Regarding the pricing discrepancies under the Free Medicine Scheme, FCCC has not received any complaints yet from the relevant bodies. In the meantime, our ongoing collaboration with stakeholders, coupled with routine checks and consumer education, supports consistency between retail pharmacy pricing and the FCCC regulated prices under the scheme. These efforts contribute to safeguarding patient interests while reinforcing trust and accountability within the health system.





However, as part of its regulatory oversight, FCCC ensures that when issuing pharmacy licences, declarations are taken from owners committing to participate in the Free Medicine Program.

This proactive step helps reinforce the Government's commitment to affordable and accessible healthcare. Furthermore, FCCC continues to monitor the market to uphold transparency, fairness, and accountability in medicine pricing.

4. Given concerns about unresponsiveness to online complaints, is there a plan to establish a toll-free helpline to make it easier for the public to report issues, such as missing price tags or suspected overcharging, directly and promptly?

FCCC acknowledges the importance of accessible and responsive communication channels for consumers. As such, during the COVID-19 period, FCCC explored the option of establishing a toll-free helpline in collaboration with several service providers. However, due to budget constraints at the time, the ongoing cost of maintaining such a service proved to be a significant challenge.

Despite this, FCCC has, over the past two to three years, significantly expanded its communication platforms to make it easier for consumers to raise concerns. These include an online chat feature on the FCCC website, active social media engagement, the FCCC mobile application (FCCC App), and other digital channels that allow prompt reporting and feedback. With this, we have received multiple queries and with expansion of our inhouse communication and customer service team, we have been successfully addressing the same.

Looking ahead, FCCC will be exploring options in the upcoming national budget to revisit the establishment of a toll-free helpline. Additionally, there are plans to collaborate with the Consumer Council of Fiji to potentially integrate the use of the Council's existing consumer toll-free line. These steps are part of FCCC's ongoing commitment to improving public access, ensuring consumer protection, and enhancing transparency in the marketplace.

5. What enforcement measures are in place for pharmacies found operating without a licensed pharmacist present, and in such cases, is immediate closure or financial penalty applied under current regulations and what are the fines being charged?

Based on the powers transferred to FCCC under the Pharmacy Professions Act 2011 s45 (3) only provides FCCC the Licensing Power whilst the Enforcement Powers remain with the Fiji Pharmacy Professions Board (FPPB).





Part 2 s6 of the Act establishes the Powers of the Board where The Board has all the powers necessary to enable it to perform its functions as set out in section 7. s7(1)(a) gives the Board its function to regulate pharmacy practice in public interest and s7(1)(e) states that Board are to "<u>respond to notifications and complaints received against</u> registered pharmacists, pharmaceutical chemists and pharmacy technicians and to conduct investigations and take disciplinary proceedings against such registered pharmacists, pharmaceutical chemists and pharmacy technicians" s7(2) further states that "<u>The response to notifications and complaints under subsection (1) (e) may include processes by which the registered pharmacist, pharmaceutical chemist or pharmacy technician voluntarily enters into an undertaking concerning the location, nature and scope of practice, pursuing a further course of study, submitting to a course of medical assessment and treatment, or other measures the Board considers appropriate"</u>

Part 2 s6(2)(d)(e) - Without limiting subsection 1, the Board has the power, in accordance with this Act, to- (d) conduct investigations and take disciplinary proceedings against registered pharmacists, pharmaceutical chemists and pharmacy technicians under Part 10; (e) appoint investigators to investigate complaints pursuant to Part 10.

FCCC does not have any powers under the said Act to close any breaching pharmacies. Also, for any investigation or handling of complaints the provisions are set out under Part 10 of the Act, which is vested with the Board. Hence when a breach is noted, the FCCC informs the FPPB accordingly for their further actions as deemed fit.

6. Given the limited number of enforcement officers and reliance on scheduled and festive inspections, is the current staffing level sufficient to ensure year-round compliance, particularly in rural and maritime areas, and what steps are being taken to address these capacity constraints?

Resource constraints exist and FCCC usually try its best to maximize its use to deliver the best possible outcomes. As far as FCCC's presence on the ground, its enforcement workplan is based on routine and scheduled monitoring of the rural and maritime regions (referred to as its tour plan) which usually covers 1 to 2 weeks deployment.

Over the years with FCCC's been given task of monitoring changes in fiscal policy (Duty reductions & VAT Monitoring activities), FCCC has had a minimal increase in its enforcement resource capacity since 2021.

To address these constraints, FCCC has submitted a proposal through the budget submission in the upcoming fiscal years, seeking additional resources and staffing





support. This submission specifically highlights the need to expand enforcement coverage and enhance presence in underserved and remote communities.

In the meantime, FCCC continues to maximise its current resources, digital means through targeted inspections, strategic deployment, regional collaborations, and community-based awareness initiatives. The goal is to ensure that all Fijians, regardless of location, enjoy the same level of protection under consumer laws. Strengthening enforcement capabilities remains a key focus for FCCC in upcoming planning and budget cycles.

7. There is a perception that Fiji's market is driven more by price than product quality, with suggestions that lower-grade goods are being imported while higher-grade products remain in the country of origin, can you clarify how quality control is ensured for imported goods, and what role your agency plays in this process alongside other authorities.

While Fiji's market is indeed highly price-sensitive, the responsibility for regulating the quality and safety of imported goods primarily lies with agencies such as the Fiji Revenue and Customs Service (FRCS) and the Biosecurity Authority of Fiji (BAF).

However, the FCCC plays a crucial role in monitoring market conduct, particularly in cases where traders misrepresent the quality of imported products or engage in unfair or deceptive trade practices. Furthermore, FCCC actively promotes consumer awareness to empower individuals to make informed purchasing decisions and avoid being misled by low-cost alternatives that may compromise on safety or overall value.

FCCC is an active member of the Food Safety Taskforce since 2024, working closely with the Ministry of Health, FRCS, and the BAF to monitor and curb the food safety issues. Through joint inspections, intelligence sharing, and ongoing market surveillance cross-sector enforcement actions are taken.

In addition, product safety has been identified as a key strategic priority for FCCC moving forward. Work is already underway to strengthen enforcement mechanisms, legislations and update internal frameworks to enhance monitoring, compliance, and enforcement in this area.

FCCC remains committed to empowering consumers with information, encouraging them to report unsafe or questionable products, and holding





businesses accountable to ensure that quality is not compromised in the pursuit of low prices.

8. Given ongoing issues with minor overcharging, particularly in corner shops and the lack of an effective deterrent under current enforcement mechanisms, what steps are being taken to reintroduce spot fines to address this low value but widespread breaches more efficiently? What specific legislation need amendments to reintroduce spot fines for FCCC?

FCCC has powers to issue fixed penalty notices under section 59 of the FCCC Act

2010 and Fijian Competition & Commission (On-Spot Penalties) Regulations 2011, for certain breaches. The issuance of fixed penalty notices would streamline our enforcement actions.

However, FCCC is currently unable to issue on-spot penalty notices as the regulations prescribing the penalty amounts are yet to be issued and gazette.

9. What provisions are in place to protect vulnerable Fijians and support transport operators during fuel price hikes, given the time-consuming nature of fare adjustment processes and the apparent regional disparities in fuel subsidies, for example, the reported \$0.10 per litre in the Northern Division versus \$0.02 elsewhere?

The FCCC acknowledges the significant impact that fuel price fluctuations have on both transport operators and consumers, especially vulnerable Fijians. In periods of rising fuel prices, the FCCC may conduct ad-hoc reviews to consider fare adjustments that reflect these cost increases.

To mitigate such challenges, the Government may often introduce targeted interventions, including temporary fuel subsidies or direct support to public transport providers. While any fare adjustment proposed under the FCCC's mandate must undergo a robust review to ensure fairness and affordability, flexible support mechanisms such as the fuel rebate scheme can be deployed by the Government to provide interim relief.

With respect to regional disparities, such as the reported **\$0.10** per liter fuel subsidy in the Northern Division compared to **\$0.02** in other areas, these are fiscal policy decisions made by the relevant Ministry. They are typically informed by factors such as logistics, remoteness, and prevailing socio-economic conditions.



Standing Committee on Foreign Affairs and Defence Talanoa Sessions



<u>Talanoa Sessions on the Fijian Competition and Consumer Commission (FCCC) 2019–</u> 2022 Annual Reports held from Monday 02 June to Friday 06 June 2025.

The Standing Committee on Foreign Affairs and Defence conducted Talanoa Sessions on the Fijian Competition and Consumer Commission (FCCC) 2019–2022 Annual Reports at the Central, Eastern, and Western Divisions.

These sessions provided a platform for interested individuals and stakeholders to share their views and feedback on the services delivered by the FCCC.

Date	Topic of Discussion	Venue	Time
Monday 02 June 2025	Talanoa session with the public and representatives from FPF, MOE and FCCC	Vunisea, Kadavu	1.15pm – 4.15pm
Tuesday 03 June 2025	Talanoa session with the public and representatives from FPF, MOE and FCCC	Rukua, Beqa	10.15am –12.15pm
Wednesday 04 June 2025	Talanoa session with the public and representatives from FPF, MOE and FCCC	Sigatoka Town	9.00am – 11.00am
Thursday 05 June 2025	Talanoa session with the public and representatives from FPF, MOE and FCCC	Tavua Town	6.00pm – 8.00pm
Friday 06 June 2025	Talanoa session with the public and representatives from FPF, MOE and FCCC	Rakiraki Town	2.00pm – 4.00pm

The Talanoa Sessions were held in the following locations:

Below are images taken during the Talanoa Sessions

Monday 02 June 2025 - Kavala, Kadavu





Vunisea, Kadavu









Tuesday 03 June 2025 - Rukua, Beqa









Wednesday 04 June 2025 - Sigatoka







Thursday 05 June 2025 - Tavua









Friday 06 June 2025 - Rakiraki











-END-

