

STANDING COMMITTEE ON ECONOMIC AFFAIRS

CONSOLIDATED REVIEW REPORT ON THE 2018-2023 FIJIAN BROADCASTING CORPORATION PTE LIMITED ANNUAL REPORTS

Appendices



FBCL Submission: STANDING COMMITTEE ON ECONOMIC AFFAIRS

Date: Wednesday 10th September 2025

Venue: Parliament Precinct's Big Committee Room

Discussion Topics: FBCL 2018 – 2023 Annual Reports

Time: 09.30am to 10.30am

Committee members:

Hon. Sakiusa Tubuna - (Chairperson)

Hon. Premila Kumar - (Deputy Chairperson)

Hon. Semi Koroilavesau - (Member)

Hon. Shalen Kumar - (Member)

Hon. Kalivati Ravu - (Member)

Hon. Alipate Tuicolo - (Member)

FBCL Representatives:

Mr Tarun Patel – Chief Executive Officer

Mr Vimlesh Sagar – Chief Financial Officer

Preamble:

Last submission- 20/03/2019 – FBCL (2016 – 2017 Annual reports)

25th September 2024 - cancelled

ENTITY PROFILE

History

Fiji Broadcasting Commission was first established in **1954** as a Public Service Broadcast Radio Station.

In January **1998**, Fiji Broadcasting Commission was corporatized under the Government's public sector reform Program and renamed to **Island Network Corporation Limited**. In **June 1999**, the entity was renamed to Fiji Broadcasting Corporation Limited (FBCL).

In November 2019, following the company's re-branding, the entity was re-named to the **Fijian Broadcasting Corporation Pte Limited**.

From its humble beginnings, the Fijian Broadcasting Corporation today operates a network of **six radio stations**: two in each of the three major languages (i-Taukei, Hindustani and English). These radio stations are Radio Fiji One and Bula FM (i-Taukei), Radio Fiji Two and Mirchi FM (Hindustani) and Gold FM & 2Day FM (English).

Radio Fiji One and Radio Fiji Two are classified as Public Service Broadcast stations governed under a contract between the government and the Fijian Broadcasting Corporation. Under this contract the Government "buys" airtime on the two stations and contributes towards its operations. The other arm of the FBC is its commercial operations under which falls four radio stations namely Bula FM, Gold FM, Mirchi FM and 2Day FM.

The FBC also provides a free to air television service - **FBC TV**. As the country's national broadcaster, FBC TV carries immense community service responsibility which is reflected in the content of the network. Along with the commercial TV programs, the FBC also has high quality local and international programs such as documentaries, social and religious programs, live & delayed sports and more. These not only inform and educate the masses, but also mould the younger generation for the future.

In November 2017 the FBC launched a new free to air and commercial free channel namely **FBC 2**. In June 2018, the entity launched Fiji's first ever free 24-hour sports channel namely **FBC Sports**.

The FBC is a wholly government owned entity, and the board of directors are appointed by its shareholders – The Government of Fiji.

Commercial Radio

The FBC operates **four** commercial radio stations. These stations are Mirchi FM (Hindustani), Gold FM (English), Bula FM (i-Taukei) and 2Day FM (English).

Gold FM is aimed specifically for 40 to 60 age group while, Mirchi FM and Bula FM are aimed specifically for 18 to 40 age groups. These stations are mainly music based with popular programs and lots of competitions and they generate the bulk of the advertising revenue. Texting and on-air promotions also contribute to income generation by these respective stations.

The fourth commercial station is 2Day FM which targets the 18 to 40 year age groups. This station is designed to attract younger listeners who want the latest music delivered with a mature and responsible approach.

STUDIO 69 - FBC's Production House

The Studio 69 production unit was launched in 2014 as a full-scale audio and visual production unit meant solely for commercial purposes. Its focus is to provide production services for current and potential clients as well as streamlining all in-house commercial productions.

The unit has dedicated staff to ensure each production receives careful attention and commercials are customized to the client's needs.

FBC- Events Management

To supplement the advertising revenue of the entity, this aspect of FBC's operations has been enhanced to market and sell events management. This diversification will earn additional revenue which we anticipate will not affect other advertising revenue.

Public Service Broadcast

Radio:

Currently the FBC has two Radio Stations that broadcast programs targeting mainly national development taking into consideration ethnic, cultural, and religious diversity. These programs are sold to the Government under the Public Service Broadcast (PSB) contract which is tendered every three years. These stations are Radio Fiji One (i-Taukei Language) and the Radio Fiji Two (Hindustani Language).

These stations have national coverage via AM transmission and supplemented in some areas by FM transmission services. The company is required to comply with the requirements of the terms as stipulated under the PSB contract for Radio.

FBC TV:

With free-to-air TV service launched in **November 2011**, the FBC has really pushed ahead with a commercial approach for its new service just like any other TV operator internationally.

The objective of TV public service broadcasting is to provide and promote local talent and varied programming and wider public service viewing choices. In general term, as a PSB broadcaster, the FBC undertakes to promote standards of quality, unbiased information, and diverse programming considering the special characteristics of Fiji.

Services are performed with all intents and purpose to entertain, inform, and educate the public with the emphasis on income generation to return profit to the government on its investment and repayment of startup moneys borrowed to ensure maintenance of high quality of programming, transmission, and public service broadcast by the government owned corporation.

Our Services

Today, FBC operates a network of six radio stations:

- **i-Taukei:** Radio Fiji One and Bula FM
- **Hindustani:** Radio Fiji Two and Mirchi FM
- **English:** Gold FM and 2Day FM

Our Public Service Broadcast (AM) transmission service provides **100% radio network coverage**, ensuring that our flagship stations, Radio Fiji One and Gold FM, are accessible to all.

Our Role in Society

Media serves as a crucial intermediary between organizations and the public, creating awareness and fostering positive impacts. It plays an essential role in promoting, educating, and disseminating valuable information, while also maintaining ethical standards and transparency.

In this ever-evolving digital landscape, organizational change is imperative for FBC to succeed and grow.

Commitment to Values

As the national broadcaster, I pledge that we will uphold our core values:

- **Authentic Collaboration**
- **Lifelong Learning**
- **Creative Thinking**

- **Uncompromised Quality**
- **Inclusiveness**

This commitment has led us to a refreshed brand identity that better reflects our mission and vision.

Support and Collaboration

With the unwavering support and collaboration of the Fiji Government and its Ministries, we are confident that this new beginning will yield exceptional results, elevating FBC to greater heights. We emphasize the importance of ownership and adherence to business ethics and integrity in the best interests of our shareholders - the Fiji Government and the People of Fiji.

Upholding Ethical Standards

As we grow and innovate, we remain dedicated to the principles of respect, transparency, and integrity. It is our obligation to uphold the highest ethical standards in all our operations, serving our customers, clients, and communities effectively.

Rehabilitation of medium wave Radio transmission project - AM

In the absence of AM services, FM service was extended to maritime Islands eg Lau and Rotuma that used to be serviced by AM. This was made available via co-site agreement with another Telco. The Government of Fiji also assisted FBC to secure funding from a donor country to restart a nationwide AM signal at FBC's Naulu AM transmitting site. This FJ\$15m JICA funded project was completed in August 2017 and now broadcasts 2 stations; one in i-taukei (Radio Fiji One) and another one is English (Gold FM).

The Japanese Government through JICA signed an agreement with the Government of Fiji for the facilitation of the rehabilitation of medium wave Radio transmission project, which is now complete. This is a public service broadcast project for a natural disaster management system which will be mostly beneficial to all Fijians in the maritime islands and in rural areas during times of natural disasters and will also be available whilst FM signal is interrupted.



Financial Operations: Summary

	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>
	2024	2023	2022	2021	2020	2019	2018
Profit before income tax	725,941	4,758,539	3,021,654	5,460,166	3,282,346	2,606,369	5,727,785
Profit after income tax	555,635	3,457,280	2,440,580	4,394,260	2,638,073	2,033,660	4,736,769
Gross Income	15,904,362	18,971,631	20,664,023	20,623,675	19,887,578	23,522,969	26,452,606
Staff Numbers	205	199	240	200	203	239	224
Income tax	170,306	1,301,259	581,074	1,065,906	644,273	572,709	991,016
EBITDA	1,949,573	7,282,606	6,628,621	9,364,947	8,654,054	7,948,198	10,017,999
EBITDA Percentage	12%	38%	32%	45%	44%	34%	38%
PSB Fee for Radio & TV	6,266,441	9,189,500	9,277,400	11,277,400	11,277,400	11,277,400	11,277,400

NB: 44% reduction in PSB fee for 2024 financial year

FBCL Core Commercial Revenue Categories:

Radio Stations Revenue
RF1
RF2
MIRCHI
GOLD FM
2DAY FM
BULA FM
Public Service Broadcast Fee - Radio
TV Revenue
Drua Production Services - TV OB
Public Service Broadcast Fee - TV
Digital Business Solutions
Digital Consumer Products
Other Commercial Revenue
Amortisation of deferred income
PMA Learning Centre / Leasing
Co-site revenue
Gain on sale of fixed assets
Studio 69 - FBC Production Studio
Radio Australia
New Revenue / Text news revenue
Station merchandise income
Other miscellaneous income

Strategic plans – 3-year Strategic plans are submitted to Ministry of Public Enterprises

Strategic Plans

- At present there is competition from other mediums. However, FBC has quite successfully maintained its position in the market place through loyal listeners and viewers – both urban and rural based. This may be eroded by any new station brands, and breakdown of equipment. If new markets are able to find a niche, FBC will lose market share and hence advertising revenue. There is sufficient radio and TV players in the market and the arrival of new players must be strongly opposed. The solutions to addressing the competition are being adopted by FBC.
- The entry of FBC into the television strengthened its position because of the ability of the company to offer both services to clients as one package. The FBC will remain competitive in terms of pricing and programme content to grow market share, which will in turn lead to increase advertising revenue.
- In order to gain the competitive advantage over the competitors, the FBC now buys market research information which is used as a basis for strategic planning and forecasting. The Pulse Research organized by RAZOR is now available and made public.
- More detailed and quality content, for instance, coverage of News and events. We now have an office in the North and full news and sales team in the west.
- Adapt latest technology for high quality content, for example, use of latest camera systems, drones and Artificial Intelligence.
- Increase reach through e-marketing.
- Reduce business costs through streamlining processes and cutting cost, for instance, office automation.
- Identifying additional revenue streams eg, web advertising, production house, live Tv outside broadcasts, live sports (OB Truck), live shows such as debates etc after completion of project.
- Rental income – office space leasing and container storage solution at Naulu transmitting site.
- Timely and consistent capital spend for upgrades, acquisition, R&M and spares.

Gender Equality

- Gender Equality is supported and promoted by the two public service broadcast radio stations (Radio Fiji One & Radio Fiji Two) and the FBC Television.

- The FBC promotes Equal Employment Opportunity. EEO is fair treatment in employment, promotion, training, and other personnel actions without regard to race, color, religion, sex (which includes gender, sexual harassment, and pregnancy), age, national origin, reprisal (for prior EEO activity), physical or mental disability, genetic information, status as a parent, and sexual orientation.
- Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world. Providing women and girls with equal access to education, health care, decent work, and representation in political and economic decision-making processes will fuel sustainable economies and benefit societies and humanity at large. Implementing new legal frameworks regarding female equality in the workplace and the eradication of harmful practices targeted at women is crucial to ending the gender-based discrimination prevalent in many countries around the world.
- The FBC has formulated Standard Operating procedures which are incorporated in the employee handbook. A copy is provided to all staff and during training and induction process of all recruits.
- The FBC had QMS in place and all policies and procedures are provided to various departments heads and updated and amended in a timely manner.

Compliance Management

Compliance management is of paramount importance for a national radio and television broadcaster, as it ensures strict adherence to statutory regulations, licensing requirements, and industry codes of practice. Robust compliance frameworks not only safeguard the organization's legal and operational standing but also uphold its reputation as a credible and trustworthy public institution.

By proactively managing regulatory obligations, the broadcaster mitigates risks of penalties, sanctions, and reputational damage, while reinforcing accountability and transparency in all areas of operation. Given the broadcaster's critical role in informing, educating, and shaping national discourse, effective compliance management is indispensable to maintaining public trust, ensuring ethical standards, and sustaining long-term organizational integrity.

- Annual FRCS compliance certificate – available
- Annual FNPF compliance certificate – available
- FRCS – VAT audit (2018 to 2022 PSB revenue VAT) – fully compliant.

- Ministry of Employment has been issued a Compliance Certificate, verifying that FBC is in full compliance (100%) with the requirements of the Employment Relations Act 2007 (ERA 2007).
- FBC staff Drone certification.
- Ministry of Defence – Security Master License- available.
- FNU compliance certificate – available.
- Income tax – fully compliant.

Ends...

[VERBATIM REPORT]

STANDING COMMITTEE ON ECONOMIC AFFAIRS

FIJIAN BROADCASTING CORPORATION ANNUAL REPORTS 2018 TO 2023

SUBMITTEE: **Fijian Broadcasting Corporation Pte.
Limited (FBCL)**

VENUE: **Big Committee Room, Parliament**

DATE: **Wednesday, 10th September, 2025**

VERBATIM REPORT OF THE MEETING OF THE STANDING COMMITTEE ON ECONOMIC AFFAIRS HELD AT THE BIG COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON WEDNESDAY, 10TH SEPTEMBER, 2025 AT 9.40 A.M.

Interviewee/Submittee: Fijian Broadcasting Corporation Pte. Limited

In Attendance:

(1) Mr. Tarun Patel	-	Chief Executive Officer
(2) Mr. Vimlesh Sagar	-	Chief Financial Officer

MR. CHAIRMAN.- Honourable Members, members of the media and the public, the secretariat, ladies and gentlemen; *ni sa bula vinaka* and a very good morning to you all and it is a pleasure to welcome everyone to this public hearing session.

At the outset, for information purposes, pursuant to the Standing Orders of Parliament, specifically Standing Order 111, all Committee meetings are to be open to the public. Therefore, please, note that this submission is open to the public and the media and will also be aired live on the Parliament Channel through the *Walesi* platform and livestreamed through Parliament's *Facebook* page. However, for any sensitive information concerning the matter before us this afternoon that cannot be disclosed in public, this can be provided to the Committee either in private or in writing but do note that this will only be allowed in few specific circumstances which include:

- national security matters;
- third party confidential information;
- personnel or human resource matters; and
- deliberations and development of Committee recommendations and reports.

I wish to remind honourable Members and our invited submittees that all comments and questions are to be asked are to be addressed through the honourable Chairman. Also be mindful that only the invited submittees will be allowed to ask questions or give comments to the Committee.

This is a Parliamentary meeting and all information gathered is covered under the Parliamentary Powers and Privileges Act. Please note that this Committee does not condone liable or slander or any allegations against any individual that is not present here today to defend themselves.

In terms of other protocols of this Committee meeting, please be advised that whilst the meeting is in progress movements within the meeting room will be restricted. There should be minimal usage of mobile phones where the answering of phones should be done outside this room and all mobile phones are to be on silent mode.

(Introduction of Committee Members)

MR. CHAIRMAN.- With us this morning the representatives from the Fijian Broadcasting Corporation to provide us a submission on the Fijian Broadcasting Corporation Annual Reports from 2018 to 2023.

(Introduction of representatives from Fijian Broadcasting Corporation)

MR. T. PATEL.- Mr. Chairman, Vimlesh has prepared a brief, with your permission if I can ask him to present that brief. We would welcome questions at any time throughout the presentation.

MR. V. SAGA.- Thank you, Mr. Chairman, and Committee Members. *Bula vinaka* and thank you for giving us the opportunity to be here today and present on behalf of the Fijian Broadcasting Corporation. Like the CEO has already mentioned, I am the Chief Financial Officer. I look at the operational side of things in terms of compliance, audit and in terms of the business operation side of things as well, in consultation with the CEO and the FBC board. You will notice Sir, that our submission is a nine-page document, but we will try to shorten it in terms of what is the key operational side.

I believe that there were no questions shared for our submission, but should there be any questions, we are happy to answer within this one-hour time slot. Once we are done with this submission, then probably towards the end of the session, we are happy to take questions from you, Sirs and Madam.

You will notice Sir, that the last submission was made on 20th March, 2019. That was for FBC's 2016 to 2017 Annual Reports. After that, we made a written submission again to the then Committee, a request to meet on 25th September, 2024, but it was cancelled. And here we meet again. This is covering the period from 2018 to 2023.

Just in summary as well, Sir, and for Committee Members' noting, all our reports have been submitted to the Public Accounts Committee through our line Ministry. Our line of reporting is through the Ministry of Public Enterprises. On the same note, our 2024 financial audit reports will also be submitted. I believe CEO and I will be presenting on that in due course in the near future. However, for the period 2018 to 2023, on page two, there is a bit of an entity profile. Sir, FBC's origination was in the year 1954 as a public service broadcast radio station. In 1998, it was corporatised under the Government reform and then to Island Network Corporation Limited. In June 1999, the entity was renamed to Fiji Broadcasting Corporation. In November 2019, following the rebranding, Sir, the entity was renamed to Fijian Broadcasting Corporation Limited and under the Companies Act 2015 and the Public Enterprises Act 2019, which used to be Public Enterprises Act 1996, and then now it is passed through a bill using the word Pte Limited, so the full name of the entity is Fijian Broadcasting Corporation Pte Limited.

As of today, Sir, we have a public service broadcast contract with the Government of Fiji, and over the years and past decades as well, for the purpose of public service broadcasting, for the two radio stations, one in Hindustani, and one in *iTaukei*, we used to receive public service broadcast fee. Since the origination of FBC TV in 2011, there was a component of public service broadcast fee as well, and in November 2017, the FBC also launched a FBC 2 channel, so at the moment we have three TV channels - FBC TV, FBC Sports, and FBC 2.

Apart from that, we have six radio stations, and the six radio stations are divided among the demographics as well, so there is two in Hindustani, two in English, and two in *iTaukei*. The FBC is a wholly government-owned entity. We are regarded as a state-owned entity, and the Board of Directors is appointed by the Government of Fiji.

Now moving onto the next page, Mr. Chairman through you, on Page 3, we have our Commercial Radio. Out of the six radio stations, we have four radio stations, they are commercial in nature. These are Mirchi FM, Gold FM, Bula FM, and 2Day FM. Gold FM and all these commercial stations are of demographic 40 years to 60 years, and the non-commercial is ranging from other various demographics as well.

Just to elaborate further about our production house, we have an in-house production studio as well, that is where all the commercials are done. Commercials for our six radio stations plus the television stations including promotions and the client commercials are also done in the studio. We have a full-scale audio video production studio in-house and that is where all our productions are done.

Further to that, Sir, we have an Events Management team as well. As of this financial year, Sir, somehow, we have done around 80 to 90 events. Every year, taking into consideration our public service obligations and commercial obligations as well, there are other events that FBC engages with. These all relates to the production side of the events including radio and television. In other cases, some of the production is also outsourced whereby we can earn additional revenue streams for FBC.

The Public Service Contract for radio on Page 3, it is a three-yearly contract. Our next contract comes to end in July 2026 and that is where a new submission will be made through the Board of Directors of FBC and that is going to be through a tender process as well. We will make our submission in consultation with the Board and CEO and the management team in the 2026 financial year.

Public Service Broadcast contract for television also exists. You will note, Sir, and the honourable Members of the Committee that FBC TV came live and was commissioned in November 2011. This year, we are reaching about 14 years of broadcast for television and about 71 years of broadcast for radio stations as well. Initially when FBC was initiated and formed on 1st July, 1954, there were only three or four radio stations, then gradually as the entity evolved, taking into consideration transformation and digital innovation as well, now we have six radio stations and three television stations.

Our Services on Page 4, Sir, Radio Fiji One and Bula FM is in *iTaukei*, Radio Fiji Two and Mirchi FM in Hindustani, Gold FM and 2DayFM in English. These are all based on different sets of demographics. You will notice, Sir, that we maintain hundred percent coverage in terms of broadcast over the AM Project.

Just a brief information about the AM Project, this started sometime in 2015 and 2016. It was fully commissioned in the financial year 2017. The benefits of this AM Project, Sir, and honourable Members of the Committee, it was funded by JICA through government initiative and the efforts of FBC as well and the board of directors. It was a fully funded project for medium wave radio transmission. At the moment, in terms of national disasters and coverage for maritime islands, whenever there is a tropical cyclone or an event of unforeseen circumstances, these stations are available 24/7.

For FM frequency, whenever there is a site breakdown, we try and anticipate and maintain our transmission network to a level so that we still maintain 95 percent to 98 percent coverage in terms of FM. However, in terms whereby the FM is not able to meet those two percent or three percent shortfalls, sometimes these events could be certain things beyond our control because the sites are located uphill or in the mountains. As of today, we own 17 sites. In order to improve our connectivity and reach, and with the assistance of the current board of directors, three or four new sites have been identified. Certain sites have been identified in the Vanua Levu region and in the Viti Levu region as well, just to boost our communication in terms of transmission.

Sir, over the AM broadcast, there are two stations that are broadcasted on this AM frequency. These stations are Gold FM Sir, with a frequency of 990 KHz and Radio Fiji One with a frequency of 558 KHz. So, at any point in time, even though the AM frequency bands are running simultaneously, these stations are available on these bands and to maritime islands and available anytime, anywhere. That is hundred percent coverage for the nation as well.

On Page 6, you will notice that 2018-2023 financial year, for the purpose of noting, we have also included 2024 audited report as well. Sir, 2018-2019 is pre-COVID-19, 2020- 2021 is during the phase of COVID-19, 2022-2023 is after COVID-19 financial years. The table has a summary of all our financial operations, that is profit before income tax, profit after income tax, gross income, staff numbers, income tax, Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) and the Public Service Broadcast fee for radio and television.

Mr. Chairman and Committee Members, you will notice that in the 2018 audited report, FBC was provided a public service broadcast fee amounting to \$11,277,400. This was for the two radio stations and four television stations. The same was provided for 2018, 2019, 2020 and 2021. In 2022, you will notice there is a decline when the new board of directors was appointed in the 2022 financial year and on their own prerogative and the board's discretion, there was a 44 percent reduction. This was something that the board had initiated with the idea to maintain FBC self-sustainable.

Mr. Chairman and Committee Members, if you look at the 2022 financial year, the revenue figures gross income is around \$20.6 million, which is not even pre-COVID-19 results. However, the impact also shows a downward trend in terms of gross income is also a reduction in the Public Service Broadcast fee.

So, putting that into numbers, Sir, 44 percent equates to around \$3.2 million annually, and this figure has been reflected in the gross income in the profit figure for 2023 and 2024 financial year. The 2024 financial year is the total effect that has been shown. Profit after income tax for 2023 financial year is sitting at \$3.4 million and the PSB foregone of \$3.2 million in 2024 financial year, reaching a profit of \$555,000 which is a milestone achievement for the FBC as an entity, and in line with corporate governance, policies and the direction that the board and management is working towards. The table shows our operation results. Should there be any questions, we are happy to answer after the end of the submission.

In terms of our Core Commercial Revenues, the four commercial radio stations have advertising dollars apart from the Public Service Broadcast fee. The Public Service Broadcast fee is now treated as income under the International Financial Reporting Standards (IFRS). We are fully compliant with our auditors, external auditors of the Office of the Auditor-General, and we are fully compliant with reporting in terms of the recommendations provided by the Office of the Auditor-General.

In summary, our reliance on Public Service Broadcast fee used to be about 64 percent. Now we are sitting at around 30 percent. So, with the intention and mindset to build a business and make FBC self-sustainable without reliance of the Public Service Broadcast fee. For noting of the Committee Members, we as an entity submit our Public Service Broadcast claim on a quarterly basis as per the government calendar year.

Annually, the total value of airtime that the FBC provides for the two radio stations and for television it equates to somewhere around \$22 million. The \$22 million is the total airtime value that FBC provides for the two radio stations - Public Service Broadcast and Radio Fiji One, Radio Fiji Two and FBC TV. In return, as per the current contract, we get \$6.2 million. There is a disparity between

the amount of services that the entity provides and the amount that FBC receives in terms of Public Service Broadcast fee. However, that amount is as per the negotiated contract with the government.

On Page 7, there is a three-year Strategic Plan that the entity submits. On a positive note and I am thankful and appreciative of the fact that the last planning session for FBC was done in conjunction and consultation with the board of directors as well. It was a two-day affair and also in the history of FBC whereby the second tier and the third tier management team were also invited to present the business plans of their respective units. This eventuated in October last year and the final plans, three-year strategic plans were submitted to the Ministry of Public Enterprises last year which is active now.

We are in the process of documenting the next and revisiting the plans for another year. It was done for three years and now it is timely that we add another financial year. The board is scheduled to meet on 23rd September this year. Once the draft version of the plans are available, it will be shared with the Ministry of Public Enterprises (our line Ministry) and that is done on an annual basis.

Mr. Chairman, at FBC we have various Standard Operating Procedures in place whereby we give paramount importance to gender equality. This is something that was highlighted in the National Development Plan as well. Just to add to that, FBC has also contributed and made their submission to the National Development Plan through the Ministry of Finance and the three-year and five-year development plans with the key initiatives of FBC have been submitted to the Ministry of Finance and acknowledged by the Ministry as well. It is great to see, of course, it is a milestone achievement for the management, CEO and the board of FBC that our submission has been accounted for, and we feel privileged that all the recommendations and suggestions provided in the plans have been accounted for in the National Development Plan. So, thank you very much and we appreciate the efforts of FBC and the government to incorporate that in the National Development Plan.

Mr. Chairman, the FBC promotes equal employment opportunities as well. We have policies in place whereby gender equality and equal employment opportunities by means of Standard Operating Procedures is practiced by quality management system, key performance indicators that is also available to FBC as well.

On an annual planning session, there are a key deliverables. There are KPIs for the board set by the Ministry. During this training and planning session, Sir, the same during the strategic planning session, the KPIs are also set for the CEO, CFO as well and for the general managers. The role and responsibility of the general managers is to ensure that the organisational KPIs, the vision and mission together with the key deliverables is also passed down to the second tiers, third tiers and the whole staff in order to incorporate the whole FBC initiatives in achieving the key KPIs of the organisation. This is something that has been emphasized by our board of directors and it has been implemented from the 2022-23 financial year and the same will be practiced within the next three years as well.

As a country's national broadcaster and a responsible entity on Page 8, the FBC always gives paramount importance to compliance management. That is our roadmap and it also gives us the level of assurance that the FBC is not only compliant with the Public Service obligations for radio and television but also in terms of the Public Enterprises Act 2019, the Companies Act 2015 and all the legislation that FBC is embarked by in terms of our Standard Operating Procedures.

I would like to bring to our attention, Sir, that on Page 9, within the years of the request for submission from 2018 to 2024 financial years, all our annual compliance has been maintained. We are 100 percent compliant in terms of our annual FRCS Compliance Certificate that has been

available for audit and vetting as well. The FBC is also compliant with FNPF Compliance Certificates. There has also been a VAT audit on FBC. This had an implication of \$5.6 million and that was for the financial years 2018-2023. Previously in our Public Service Broadcast contract, the PSB element component was VEP. However, when the changes eventuated in terms of our new set of contracts, this amount is now subject to VAT. We had accounted for everything according to our standards. It was vetted by auditors as well in compliance with IFRS as well. When this audit's notification was sent from FRCS, FBC in consultation with CEO and the board had hundred percent complied to that. The audit completed within the last financial year, the PSB component of VAT we had received from the Ministry of Finance, which has now been remitted to FRCS. The FBC is hundred percent compliant in terms of the VAT audits that eventuated within the year 2023. This has been reflected in our 2023 audited report by terms of Notes on Page 19 and page 23 of the annual report.

On the last page, Sir, for the first time, and that is for the history of FBC, the Ministry of Employment had issued a compliance certificate verifying that FBC is in full compliance, hundred percent compliance with the requirements of Employment Regulations Act 2007. The FBC is now 100 percent compliant, and a certificate has been provided to FBC. The FBC on its own prerogative have also provided and invested in staff training and that is something that we are so proud of; that forms part of our annual training budget as well. In terms of equipment and fixed assets, we have three sets of drones that are used for production as well.

Just to bring to the attention of the honourable Chairman and Committee Members, you will notice that in the past two or three years, the FBC has done full-fledged international level broadcast and production for the Drua home matches. That has been done by in-house staff, in-house resources, in-house facilities, in-house CAPEX and all the resources and the gears that has been invested by FBC.

At some point in time, after consultation with the board and CEO, it was adamant and paramount that our staff go through the drone training certification as well. At the moment we have six staff who have been fully certified for drone operations. Just last week, the CEO has also approved another six set of staff who will be trained as fully certified drone operators for FBC.

We have also received for the first time, Mr. Chairman, the Ministry of Defence Security Master Licence. This enables FBC to have our in-house security guard system as well. We have so many events throughout the financial year, and whenever there is an event of a bigger nature, we outsource security services as well. Since now, the FBC has this Ministry of Defence licence, we can employ staff in-house who can cater for that service as well. This is the first time and it is an achievement for FBC. We also have received FNU Compliance Certificate. That is for the one percent levy that goes to the Fiji National University. Upon paying this levy, we identify certain courses that may be granted.

Sir, within the last financial year, and 2022 financial year as well, on its own prerogative and initiative, FBC now has a Pacific Multimedia Academy as well, and it is accredited through FNU. So whenever there are certain short courses, trainings as well, which is accredited through FNU, and I am so thankful to the CEO and manage that that has now eventuated, and is ongoing on an annual basis as well. On the same note, Sir, we are 100 percent compliant to income tax as well. Income tax obligations are all fully compliant in terms of our obligation as a national broadcaster and in terms of our audit recommendations as well. Just on a keynote, we reiterate that our 2024 financial year audits are also available. We are in the process of annual report compilation, which will be submitted to Parliament by October, we are targeting.

We are all current in terms of our financial reporting and statutory obligations, we are all compliant in terms of our SOPs and compliance management. We are thankful to the Committee and Mr. Chairman, for giving us this opportunity to present in a summary as to where we are today. With the guidance of the CEO and the current board of directors and the line Ministry, we recently have had a change in our line Ministry as well in terms of the public service submission of reports. Previously, we used to submit our information to the Ministry of Finance, but the last acquittal has been submitted to the Ministry of Information, and we are so thankful that we are given this opportunity to present and represent FBC. Should there be any questions after this session, we are happy to take note of that and if there is any further information that may be required in terms of elaboration, annual reporting, compliance management side of things, we are happy to take questions. Thank you very much for your time and for giving us the opportunity to be here today.

MR. CHAIRMAN.- Thank you very much for your presentation, Mr. Sagar. I now give the time to the honourable Members, if there are any questions that they have on the presentation, maybe it is the time now for them to provide any comments.

To start it off, one of the things that we would like to see, as you have alluded to, is for Fijian Broadcasting Corporation to become self-sustainable. I think there are quite a lot of opportunities to do that, and not to rely so much on the broadcast fee that you receive. That is what the government wants to see also, making profit and not depending so much on the Public Broadcast fee. I am very happy to see that management has taken that on board, making sure that it remains sustainable with more innovative products and also looking at opportunities like the Drua games, et cetera, where you can gain extra revenue.

Those are the areas that we want to see from government. All the public entities and statutory organisations know how to make profit. The government cannot be expected to continue providing funding to sustain some of these areas and services they provide.

HON. S.T. KOROILAVESAU.- Mr. Chairman, at the outset, I would like to thank CEO, CFO and FBCL in general for the submission this morning. I understand that there has been a lot of negativity on media about FBCL, but by looking at the reports that have been submitted, we know that there has been great achievements being done to-date. We thank you for taking the company forward and providing that service to the people of Fiji.

I have two questions, which are basically related. I can see that there was a huge redundant made in 2023, in fact it went down from 240 to 199. Can you explain the number of staff who resigned, those who were terminated or made redundant?

MR. T. PATEL.- Not a single staff member was made redundant nor sent home. What we have done is spent close to \$1 million in re-training staff and realigning them to our business processes and strategic plan going forward. The number of staff who have left, have left for other opportunities abroad and in some cases for other PR jobs in other firms. So, not a single person was made redundant nor sent home. We have a policy to rehabilitate even those who may not be fully compliant with their skill sets, to ensure that we have done everything to train them up so they become a valuable member of FBC.

HON. S.T. KOROILAVESAU.- Mr. Chairman, my question will be basically on 2022-2023 as the most recent one. Can you please explain why the cash on hand substantially reduced from \$5.6 million in 2022 to \$2.2 million in 2023?

MR. V. SAGAR.- The reduction has been in line with our CapEx spend. Like what I had said, to cater for equipment upgrades for the Drua production, it is an international production whereby we have a 16-camera production and the graphics as well. It also includes box lenses that we buy as well. Basically, the cash item that was sitting there for CapEx spend as well. What happens on an annual basis? We pre-plan our budget and set aside certain CapEx spend that would be used within one financial year as well. So, there was about close to \$3 million investment in terms of fixed assets and just because this expansion in the gears, the upgrades of the gears were required for FBC to meet our contractual obligations in terms of the broadcast contracts as well, you will notice that our business is sort of different nature. One, we sell airtime that becomes obsolete within a 24-hour time frame. Secondly, we are so heavily reliant on technical gears as well - cameras, drone, equipment, production gears which have a life ranging from three years to five years. The last set of gears that was acquired was two or three years ago was very timely, the cash that we had set aside in the bank account would be used for this project as well and to cater for the upgrades as well. In terms of reduction in cash at bank, those amounts that were set aside for the CapEx spend for other financial years was utilized in that financial year.

HON. S. KUMAR.- Mr. Chairman, in report submitted to the Committee, we have been continuously reading about the project to extend the Pacific Training Building and establish the Disaster Recovery Center. Can you please provide an update on the status of the project?

MR. T. PATEL.- Mr. Chairman, over the last three years we have been working with the Korean government to provide a Disaster Risk Resilience Center for equipment. We ourselves are building the building. We are in the process of having tendered for a building just outside of Suva, in a place where it is on a height so that we do not have to evacuate the place in times of emergency. Now where FBC is, it is in the tsunami zone and even though we are mandated to be an essential services provider for the safety of our staff during a tsunami warning, we actually have to abandon the place.

One of the things that we have done is worked with the Korean government and US\$1.7 million worth of equipment will be coming in November to be installed before next July. It will form a fully redundant studio both for radio and TV. It will be known as a haut, able to be switched on at a moment's notice and it will be outside of the tsunami zone.

HON. K.V. RAVU.- Mr. Chairman, were there any major capital expenditure projects or investments undertaken by the FBC from 2018 to 2023 to expand or modernise its radio, televisions and services?

MR. T. PATEL.- Mr. Chairman, broadcasting for TV is done via the *Walesi* platform. We are basically a content aggregator, and all our investments has been in production facilities. As CFO has mentioned, we have spent close to \$3.5 million in upgrading our production equipment to the standard that we now produce games for Australia, New Zealand and UK from here. So, World Rugby, when they actually hold a match here, for instance the last Fiji vs Tonga game, contracted us. They do not have to fly in any personnel from New Zealand, Australia or any equipment. Three years ago, they would actually hire a plane with about 17 people to come across to produce the game. These days there is none. We actually do it all and we thank the Drua also for providing us with that contract. We are able to then amortize our costs above that. You will have noticed that we have also enhanced the coverage of how we do the Deans Rugby, swimming or the Coca-Cola Games for athletics. The reason we are able to actually do that is of the substantial amount that the board has actually allowed us to invest in equipment and also close to \$750,000 in just training the personnel. So, we bring in trainers from abroad and they actually train our people here on the ground.

HON. S. KUMAR.- Mr. Chairman, can you please provide an update on the new programmes introduced between 2018 and 2023, particularly the local programmes for production and content creation? What are some of your success stories in this area?

MR. T. PATEL.- So, we have looked at the entire strategy. If you have noticed, we have launched a website called www.viti.plus (VITI+) where we put all of our content and that is done for two reasons. One of the reasons is that there is no process of archiving the content for future generations. So, we are now uploading onto the cloud all of our content. Therefore, all of you can just go onto VITI+ and actually view all the content over the last three or four years that we have generated. The content that we are now concentrating on, a lot of it is sporting content and it is to do with secondary schools. This week we are recording a math quiz programme, soon to be followed by a national quiz and then we are going to do a spelling contest as well.

Mr. Chairman, two weeks ago, on the first of this month, you will have noticed that we have launched an *iTaukei* news programme, totally in *iTaukei*. So, the presentation is in *iTaukei*, interviews are in *iTaukei*, the questions are all asked in *iTaukei* and that is directly in line with the population that we have. We are looking at about 75 percent of our population being conversant in the *iTaukei* language. One of the other reasons that we are actually doing is then preserving the culture, traditions, customs and the language itself. So, looking at it from a live database perspective where we will also be translating that into the Hindi language, so we will be doing a whole Hindi language news, in addition to what we actually already do on radio.

HON. S. KUMAR.- Mr. Chairman, just an extension, how do you cater for the Rotuman language?

MR. T. PATEL.- We have once a week radio programme for the Rotumans.

HON. S. KUMAR.- Are you challenged by the competitors that are around or that are developing? These are the content creators or podcasts that have been developed recently. Has it challenged you or the social media has threatened the FBC in any way?

MR. T. PATEL.- Mr. Chairman, through you, the content business has become extremely fragmented. Digital media has taken over and we are seeing less revenue from our core television services. Radio is still very strong because when you are stuck in the traffic between Suva and Nausori or Nadi and Lautoka, you switch on to the radio. Television on the other hand, becomes an appointment television viewing, so if there is anything compelling, then you actually do it. Our whole strategy has changed onto becoming a provider of compelling content, but we also repurpose that onto VITI+, so you can watch it at a time when it is convenient to you on any device that is convenient to you. But yes, there is a lot of fragmentation of revenue. There are so many people creating content on *TikTok*, *Instagram*, *Facebook*, that people are spending a lot of time. One of the things that we ensure where we come in, is credibility. So, when you watch FBC News, you know you can rely on it to be the truth, impartial and to the point.

HON. S. KUMAR.- Thank you, CEO, that provides clarity, though I have a few other questions, but I will put it later.

MR. CHAIRMAN.- I am very pleased with the discussion on improving the content and coming up with new ideas. Have you made any sort of assessment on the demand for the services and products that you have and the willingness and ability of the people to pay for the

services/products? More people want to see local events, they want to be engaged in local events, even the diaspora overseas; whether you are in Sacramento, and you want to watch the Deans rugby games, those are the sort of things that I am referring to.

MR. T. PATEL.- Yes, we have, Mr. Chairman, live sports is something that people are prepared to pay for, everything else, people want to see for free. What we do is, when we cover, say, the Deans Rugby or the Coke Games athletics, we make sure that the people of Fiji actually watch it free on FBC TV. What we do is, when we repurpose that on VITI+, we charge the overseas diaspora because they need to actually pay to watch. What we have got is very tremendous feedback from them in terms of the connections that they have back to their old schools or their old *alma maters*, in ensuring that they can continue to view either relatives or friends, or kids of friends to compete in the competitions.

What we have done, Sir, is ensure that we continue to serve the people of Fiji, and at best, free of charge. Where we cannot do free of charge is because, say Fiji Rugby Union will hold the rights to the game, and they will say, “no, put it on pay-per-view, and that is all we can do because they hold the rights, we do not. Where we actually can acquire the rights, we will actually put it on free to air.

HON. S. KUMAR.- Mr. Chairman, before I ask my next question, I just like to commend the FBC for providing online services whilst listening to the radio from overseas and it is very efficient, effective and very clear. I have been one of the fans of Radio Fiji Two, I cannot stay away from listening to this radio station every time I am overseas, it keeps me informed, it is very well articulated and very clear. I hope you will maintain the quality of your online frequency. Has FBC been recognised for any excellence awards between 2018 and 2023?

MR. T. PATEL.- Mr. Chairman, through you, we have recently won the award at the Asia-Pacific Broadcasting Union for having the best streaming website, Viti+. This is amongst over 130 broadcasters throughout the Asia-Pacific region where we got a commendation. We also won an award for being inclusive about gender and equality where two of our people are currently in Mongolia attending a conference of the Asia-Pacific Broadcasting Union, where the General Manager of People and Culture for FBC has now been elected to head the gender inclusivity and diversity group out of the Asia-Pacific Broadcasting Union.

HON. S. KUMAR.- Mr. Chairman, that has answered are few of the other questions that we had regarding collaboration.

HON. S.T. KOROILAVESAU.- Mr. Chairman, through you, there has been a lot of controversy regarding Public Service Broadcast fee and I think honourable Chairman had highlighted. There seems to be some confusion on this Public Service Broadcast fee. Some consider it as time bought for the government to carry out its social services by informing our people. Some consider it as income generated for FBC to improve the financial for the year. But in any way, the government satisfies its social obligations by keeping our people informed. How does FBC, with all the controversy that surrounds it, deal with this issue?

MR. T. PATEL.- Mr. Chairman, through you, when the current board came in and I came in as CEO, we looked at that. We looked at the volume of the fee that we were getting. When we looked at it from a business perspective, we were so reliant - 70 percent reliant on Public Service Broadcasting fee that we would not actually survive as a business. There was a cancellation clause in the contract of one month. So, government could provide us with one month's notice and cancel the entire contract. We quickly strategised. One of the strategies was, let us give back \$4 million,

which sends a message to all of our senior management, our board and our people that we have got to become self-reliant. What we have done is, we have rebuilt the business. So from 70 percent to 75 percent reliant on Public Service fee, we are now less than 30 percent to the point where the amount of services we provide far exceeds the fee that we get. We are in a very happy space as far as the service provider is. So should that Public Service Broadcasting fee at some stage, if government decides that we no longer want to engage with any broadcaster, FBC becomes self-sufficient and self-reliant on the income that it generates by itself.

HON. S.T. KOROILAVESAU.- Mr. Chairman, can I just ask this next question? On page 65 for the 2023 report, it showed that the cost of overseas travel substantially increased from \$72,000 to \$272,000. Can you just explain this increase?

MR. T. PATEL.-Mr. Chairman, the cost of travel, was when I said we spent close to \$750,000 on training our people, part of that was to send them across to Sky New Zealand, Stan Sport, Channel 9 to be trained up and also bring personnel from there here. Today we are self-sufficient, so we no longer have that magnitude of travel, but we had to do it for that one year to ensure that our people on the ground got fully trained up.

MR. CHAIRMAN.- Are there any last questions? I would like to thank Mr. Patel and Mr. Sagar for availing themselves for this submission. We thank you for your time and hope that you will avail yourselves if the Committee has any further queries on this matter.

The Committee adjourned at 10.36 a.m.
