



Parliament Sitting Date: Thursday, 4 November 2025

Written Question No.: 346/2025

Question: Hon. Ratu Rakuita Vakalalabure to ask the Deputy Prime Minister and Minister for Tourism and Civil Aviation – Can the Minister update Parliament on the progress of the Pilot Tourism Small and Micro Enterprises (MSE) Fund with respect to –

- (a) how many businesses have been selected;
 - (b) how financial assistance, training and marketing support are provided; and
 - (c) how this programme contributes to the government’s goal of fostering growth in the tourism sector.
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1.0 BACKGROUND

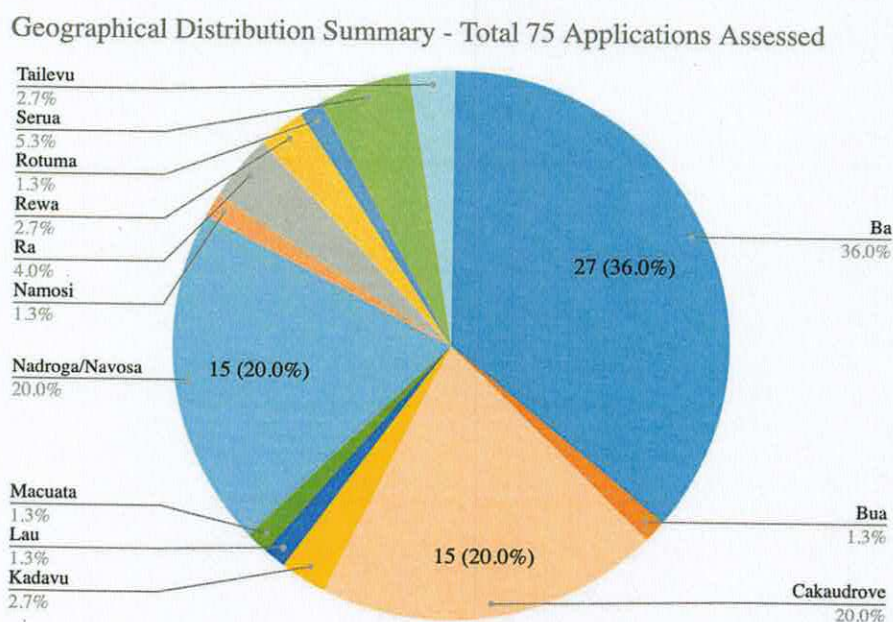
- 1.1 A key driver of economic growth is Micro, Small, and Medium Enterprises (‘MSMEs’). Given their dominance in the tourism private sector, support for their long-term recovery and expansion is critical to creating high-quality visitor experiences and facilitating community benefits from tourism.
- 1.2 Some data suggests up to 80% of the sector comprises SMEs – highlighting the prevalence of SMEs in the sector and the growing need for a structured support system that can optimise productivity and impact.
- 1.3 The Pilot Micro and Small Enterprise (MSE) Fund aims to support and empower tourism micro and small enterprises by providing financial assistance in the form of grants. It will focus on creating diversified tourism products and experiences.
- 1.4 In the 2024-2025 and 2025-2026 financial years, the Ministry of Tourism and Civil Aviation was allocated \$400,000 respectively in budget support to Pilot the programme. Implementing the programme as a Pilot was to ensure the Ministry is able to roll it out in a manner which builds on longer-term sustainability and impact of access to finance programmes of Government.

- 1.5 Businesses that fall under the ‘micro’ category were eligible to apply for grants of up to \$15,000. ‘Small’ businesses were eligible to apply for grants up to \$25,000.

2.0 KEY APPLICATION HIGHLIGHTS FOR FINANCIAL YEAR 2024-2025

- 2.1 The Pilot was launched on 4 December 2024 through Expression of Interests and closed on 28 March 2025.
- 2.2 A total of 75 applications were received. The geographical and demographic distribution of applicants are outlined in the charts below.

Chart 1: Geographical Distribution Summary



- 2.3 The majority of applicants came from the Ba Province, which is expected given its role as a tourism hub, accounting for 36% of total submissions. This was followed by Cakaudrove (21%) and Nadroga/Navosa (19%), the tourism interests are concentrated in more developed or tourism-active provinces. It potentially reflects the need for targeted outreach and support to encourage participation from underrepresented regions in future funding rounds.
- 2.4 Applications reflected a strong mix of tourism-related sectors, with the highest interest in tour operations and homestay accommodations. Other key sectors included marine transport, culture and heritage, and adventure tourism, alongside niche sub-sectors such as agritourism, and the creative arts.
- 2.5 The majority of applicants (65%) are classified as micro businesses, while 32% fall under the small business category. Medium-sized businesses are not eligible for the Pilot MSE Fund.

2.6 Out of the 75 applications received, 38.67% were submitted by women entrepreneurs.

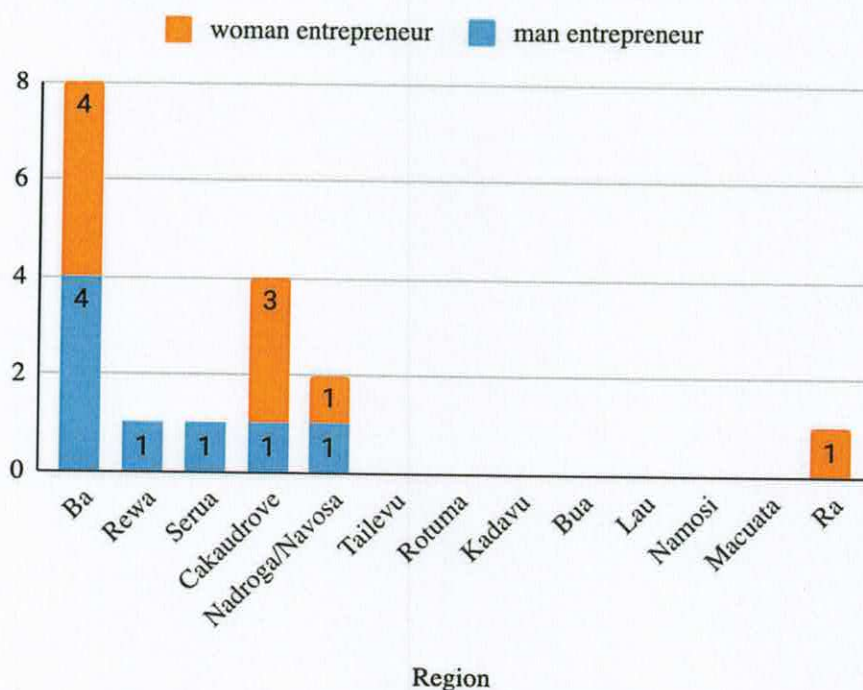
3.0 2024-2025 BENEFITTED APPLICANTS

3.1 In the first batch of assessments, 24 applicants were shortlisted applications, of which **19 projects were approved for funding by the Selection Panel¹, with a total Pilot contribution of \$293,686.**

3.2 The geographical and demographic distribution of fund recipients is illustrated in the chart below. Of the 19 approved applicants, 17 businesses have received disbursements to date, 47% are led by women entrepreneurs. Two (2) businesses requested an extension to their one-third ($\frac{1}{3}$) contribution due to time constraints and changes in supplier availability or internal fund allocations. These two applicants' funding will be disbursed in the 2025-2026 financial year.

Chart 2: Demographic & Geographic Distribution Summary

Demographic - Total 17 Disbursed Fund



3.3 The second Selection Panel meeting assessed 16 shortlisted applications under Batch 2. Of these, 11 projects were approved, 2 applications were placed on hold pending further information, and 3 applications were not supported.

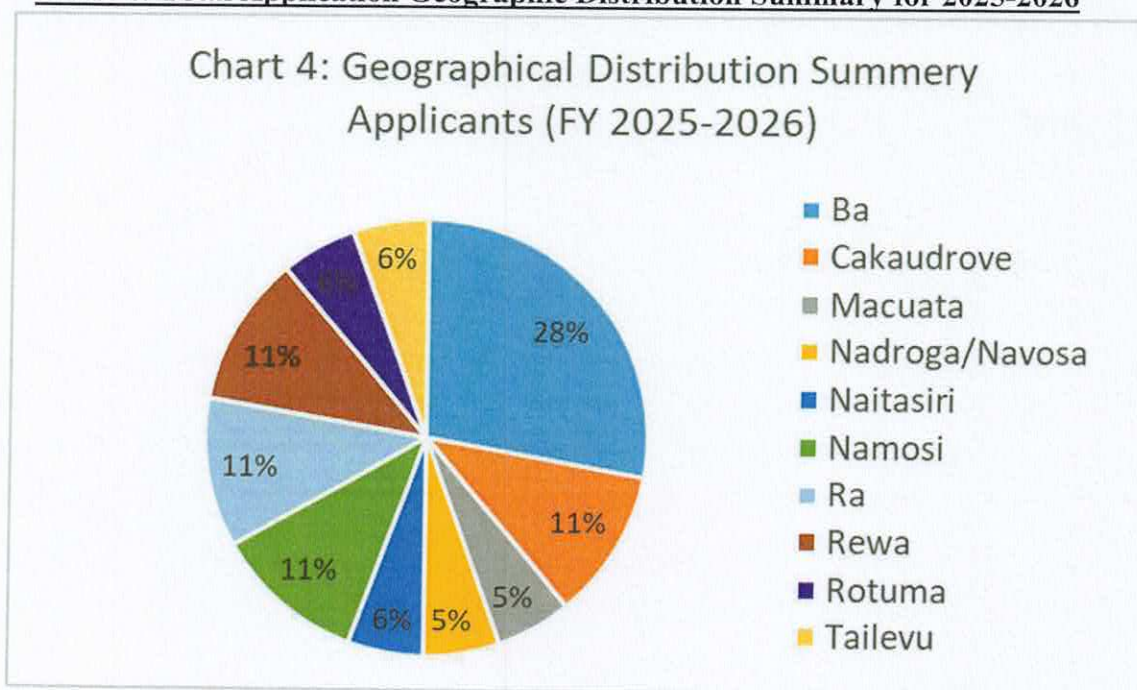
¹ Selection Panel consists of Public and Private sector representatives guided by a Terms of Reference

- 3.4 Thus, a total of 13 approved projects were carried forward and scheduled for disbursement in this financial year 2025-2026. The geographical distribution of fund recipients is illustrated in the chart below.

4.0 KEY APPLICATION HIGHLIGHTS FOR FINANCIAL YEAR 2025-2026

- 4.1 The Pilot was launched on August 04 2025 through Expression of Interests and closed on 30 September 2025.
- 4.2 A total of 33 applications were received. The geographical and demographic distribution of applicants are outlined in the charts below.

Chart 4: Total Application Geographic Distribution Summary for 2025-2026



- 4.3 Although the number of grant applications has decreased compared to last financial year, the applications received this year show an overall improvement in quality and document readiness. This may be attributed to the fact that the majority of applicants (58%) are classified as small businesses, which tend to be more business-ready.
- 4.4 Most applications were received from the Ba Province, consistent with last year, accounting for 27.3% of total submissions. This was followed by Cakaudrove, Namosi, Rewa, and Ra (11%). This distribution reflects that tourism interests remain concentrated in more developed or tourism-active provinces. At the same time, there is some growth from

underrepresented regions, although these areas may still require further awareness activities or may not yet be fully ready for tourism engagement.

- 4.5 This year's applications also showed growth in adventure-based tourism, particularly diving, and continued to demonstrate a strong mix of tourism-related sectors such as accommodation and tours. Other key sectors included marine transport and culture & heritage tours.

5.0 2025-2026 BENEFITTED APPLICANTS

- 5.1 A total of 18 shortlisted applications were presented to the Selection Panel on 24 November 2025. Of these, 9 projects were approved, with total project costs of \$267,420 and a Pilot contribution of **\$167,193**. In addition, 7 applications received conditional approval, pending further verification.
- 5.2 A further 13 projects approved under Batch 2 of the 2024–2025 financial year were carried forward into this financial year, with a total Pilot contribution of \$182,775.
- 5.3 In total, \$349,968 has now been committed to approved applicants from the \$400,000 allocation. This leaves a balance of \$50,032, which will be reserved for the 7 conditionally approved applications.
- 5.4 The remaining balance will be used to fund the conditionally approved projects. However, depending on the number of applications ultimately approved, disbursements for this financial year may exceed the allocated budget. Any approvals beyond the current allocation will be carried forward and funded in the next financial year.

6.0 ELIGIBILITY CRITERIA

- 6.1 To be eligible, MSEs must be:
- Fijian citizens of 18 years of age and above;
 - An existing registered enterprise in operation for two years;
 - Registered entity must be majority Fijian owned (at least 51%);
 - Engaged in tourism and where a majority share of revenue comes from the tourism sector including tour operators, activity providers, ground operators, hospitality, food and beverage, and transportation; and
 - Ability to meet the one-third cash funding project cost with support documents satisfactory to the Ministry.
- 6.2 The Pilot provided grant funding for the purchase and construction of capital projects as well as operational items. This includes, but is not limited to:
- Improvement of products and experiences (including virtual, land and marine experiences);
 - Visibility and awareness such as website upgrade;

- Adoption of technology to enhance visitor experiences;
- Amenities enhancements such as visitor areas or signage;
- Small-scale infrastructure such as trails, signage; and
- Equity funding with financial institutions for capital expenditure and diversification purposes. Relevant FIs compliance and requirements will apply.

6.3 In its Pilot phase, the following tourism activities and experiences were encouraged:

- Activities that promote culture and heritage
- Environmentally sustainable activities such as bird watching and trekking
- Accessibility such as trails and signage
- Upgrade and rejuvenation of heritage sites
- Niche markets such as Agri-tourism and Wellness
- Natural parks such as forests and reef

6.4 A Policy that highlights the criteria, exclusions, application process, grievances mechanisms, assessment criteria and monitoring and evaluation mechanisms was developed and widely published to ensure transparency.

7.0 CONCLUSION

7.1 The utilisation of funds this year is expected to exceed the allocated budget, the programme has demonstrated strong effectiveness. Across both financial years, recipients have included a diverse range of enterprises such as village tours, homestays, agri-tourism ventures, creative arts, and marine tour operators.

7.2 The Fund directly supports the Government's objective of growing Fiji's tourism sector by expanding participation, improving product quality, strengthening supply chains, and enhancing resilience across the visitor economy. It acts as a targeted catalyst to unlock the potential of micro and small operators—who form the backbone of Fiji's tourism offering, especially in rural and maritime areas.

7.3 Through this grant and the Ministry's joint efforts to support MSE businesses, more than 50% of applicants and recipients have participated in Business Continuity training, business literacy training, tour guide training and digital skills training. These opportunities have enabled businesses to improve their operational skills, strengthen sustainability, enhance risk awareness, and build networks with other MSEs.

7.4 The Ministry published two awareness videos for applicants, which also provided marketing exposure for the featured businesses.

7.5 Monitoring, Evaluation, and Learning (MEL) are underway to more effectively assess the impact of the programme

ENDS.