



MINISTRY OF
COMMERCE, TRADE,
TOURISM AND
TRANSPORT

2019 - 2020

ANNUAL REPORT

MINISTRY OF COMMERCE,
TRADE, TOURISM
AND TRANSPORT

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LETTER TO THE HONOURABLE PRIME MINISTER

28 August 2024

Honourable Sitiveni Rabuka
Honourable Prime Minister,
Minister for Foreign Affairs, Civil Service and
Public Enterprises, and Information
4th Floor, New Wing, Government Buildings,
Suva

Dear Honourable Prime Minister

ANNUAL REPORT 2019 – 2020

I am honoured to submit, on behalf of the Ministry of Commerce, Trade and Tourism, the combined performance report of the Ministry for the period 1 August 2019 to 31 July 2020.

ANNUAL REPORT 2019 - 2020

Yours sincerely

Hon. Manoa Kamikamica

Hon. Deputy Prime Minister and Minister for Trade, Co-operatives, Micro, Small and Medium Enterprises and Communication



FOREWORD FROM THE PERMANENT SECRETARY

I am delighted to present the Foreword for the Ministry of Commerce, Trade, Tourism, and Transport's Annual Report for the financial year 2019 - 2020. Over the past year, our Ministry has continued to work diligently towards the development and enhancement of our nation's commerce, trade, tourism, and transportation sectors. We have strived to create an enabling environment that fosters economic growth, promotes job creation, and ensures sustainable development for the benefit of our people.

In the commerce sector, we have focused on promoting and facilitating trade by implementing policies and initiatives that improve ease of doing business, enhance competitiveness, and encourage innovation. We have undertaken significant efforts to streamline business processes, reduce bureaucratic hurdles, and create a more business-friendly environment that attracts investment and drives economic prosperity. Our trade initiatives have aimed to expand market access for our exporters, diversify our export base, and strengthen trade relations with existing and emerging partners. We have actively engaged in bilateral and multilateral trade negotiations, working towards the removal of trade barriers and the creation of more favorable trade conditions for our businesses. In the tourism sector, we have worked towards positioning our country as a preferred tourist destination. We have implemented strategies to enhance the quality and diversity of our tourism offerings, improve infrastructure and services, and promote sustainable tourism practices. We have also undertaken targeted marketing campaigns and participated in international tourism events to raise awareness and attract visitors to our shores. Transportation plays a crucial role in facilitating and we have made significant strides in commerce and tourism, in this area as well. We have prioritized infrastructure development, focusing on improving connectivity, upgrading ports and airports, enhancing road networks, and modernizing public transportation systems.

These efforts have contributed to increased efficiency, reduced costs, and improved accessibility for businesses and travelers alike. I would like to take this opportunity to express my gratitude to our dedicated team at the Ministry, whose hard work and commitment have been instrumental in achieving our goals. I would also like to acknowledge the collaboration and support of our stakeholders, including our industry partners, international organizations, and the private sector. Together, we have made notable progress and will continue to work towards a better future for our nation. As we look forward to the challenges and opportunities that the coming year will bring, I assure you that the Ministry of Commerce, Trade, Tourism, and Transport remains fully committed to advancing our sectors. We will continue to pursue initiatives that promote economic growth, create jobs, and improve the livelihoods of our people. I invite you to explore this annual report, which provides an in-depth overview of our accomplishments, challenges, and plans for the future. Together, let us build a vibrant and prosperous nation that benefits all Fijians.

Thank you very much.

A handwritten signature in blue ink that reads "Shaheen Ali".

Shaheen Ali
Permanent Secretary Ministry of Commerce, Trade, Tourism, and Transport

MINISTRY OVERVIEW



Our Vision

“Brighter Economic Future for All”



Our Mission

“Creating sustainable growth of commerce and industry through innovative and sound policies that lead to improved livelihoods for all Fijians”



Our Values

‘GREATEST’

Good Governance

Respect and value for people

Excellence in Service – innovation in delivery

Affirmative – being positive

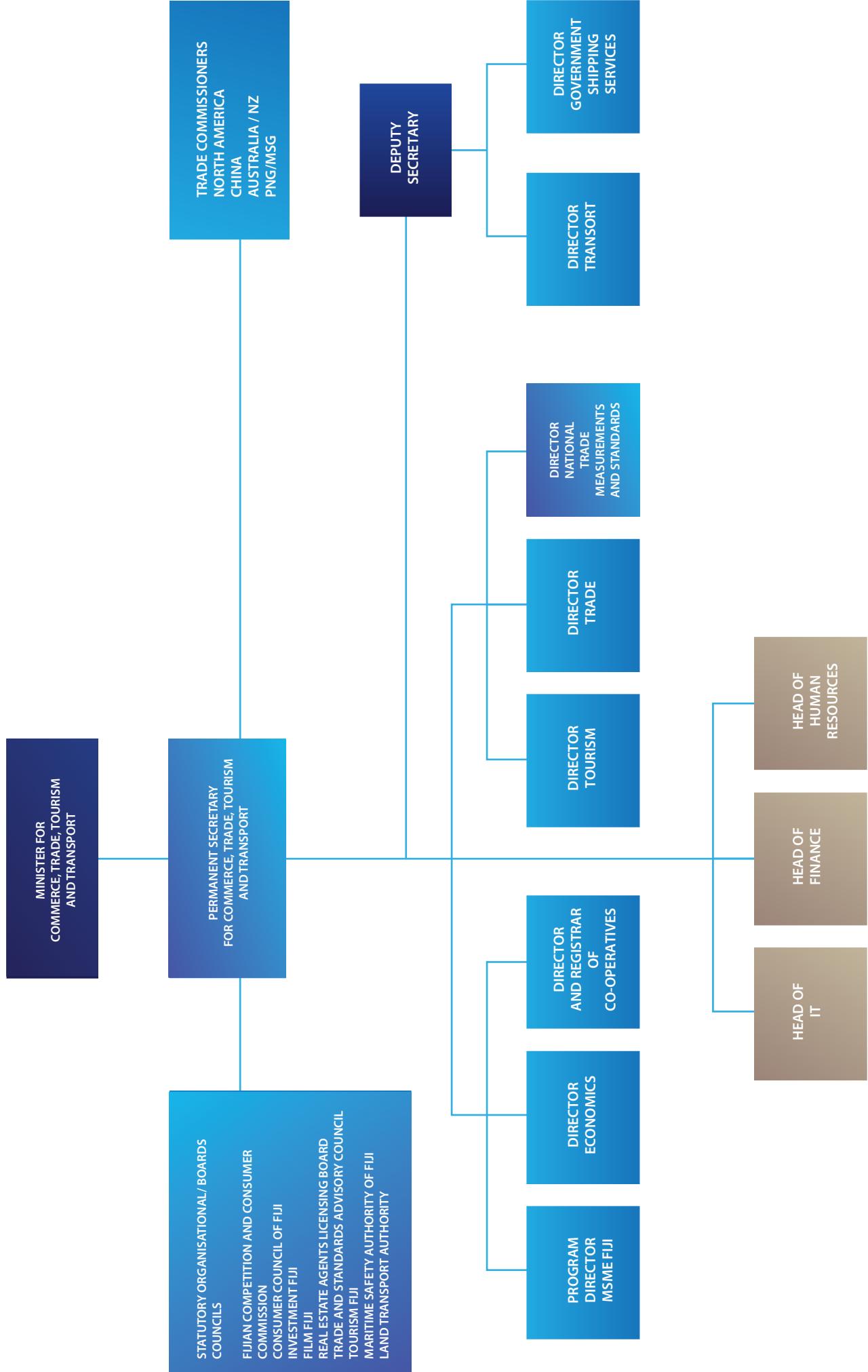
Trustworthy

Equality for all and equal participation

Socially Responsible

Team Fiji – collaboration with our stakeholders

OUR ORGANISATION STRUCTURE



WHAT WE DO

The Ministry of Commerce, Trade, Tourism and Transport is responsible for formulating and implementing policies and strategies that create and facilitate growth in industry, investment, trade, tourism, transport, co-operative businesses, micro, small and medium enterprises and enhance metrology, standards and consumer protection.

These roles are undertaken by the Economic Unit, Trade Unit, Tourism Unit, Department of National Trade Measurement and Standards, Department of Co-operative Business, Department of Transport, Government Shipping Services, Doing Business Reform Unit, Micro Small Medium Enterprises Fiji Unit (MSME Fiji), Human Resources Unit and Finance Unit.

Internationally, we have Trade Commissions in North Americas, China, Australia and New Zealand who are also responsible for driving trade and investments.



The Ministry is supported by seven statutory organisations, including the Consumer Council of Fiji, Film Fiji, Investment Fiji, Land Transport Authority, Maritime Safety Authority of Fiji, Real Estate Agents Licensing Board and Tourism Fiji.



A high-angle, aerial photograph of a coastal town. In the foreground, there are several buildings of varying sizes, some with corrugated roofs and others with more permanent structures. The town is surrounded by lush green vegetation, including many palm trees. In the background, a range of hills or mountains is visible under a clear blue sky. The overall scene suggests a tropical or subtropical coastal area.

STRATEGIC ACHIEVEMENTS

ECONOMIC UNIT

The Economic Unit of the Ministry is responsible for formulating, implementing, monitoring and reviewing policies, initiatives and projects, to enhance private sector development in related industry sectors, micro, small and medium enterprises, investment, services, competition and consumer protection.

The Unit oversees two statutory organisations: Consumer Council of Fiji and the Real Estate Agents Licensing Board.

PROMOTING PRODUCTION AND CONSUMPTION OF FIJIAN MADE GOODS AND SERVICES

In the 2019-2020 financial year, the Ministry continued to market 'Fijian Made – Buy Fijian' (FMBF) licensed products, while advocating support for local production and consumption.

A total of 39 businesses (139 products) were licensed to use the emblems on their products out of which 27 were new businesses and 12 were renewal applications. In an efforts to support MSMEs, 14 new licenses were given to MSMEs registering 34 different products under the campaign.

The FMBF Campaign had another strong year promoting the production and consumption of Fijian Made goods and services through the: TOPEX Conference; Auckland food show; Launch of Eco Challenge; Fine Food Show; World Tourism Day; Launch of FDB Awards – (Fijian Made was a sponsor for the Manufacturing Award); Green Action Fund 2019 Project; Bakery Opening at Cautata Village; Fiji - China Trade Promotion Symposium; HOTECH Trade Show; Tourism Fiji Industry Day; Forum Trade Ministers Meeting; FBD Awards Event; 3 Day Contemporary Island Cuisine; Launch of "Support Local Business" Campaign Online; Launch of Mobile movie competition; ROC Market in collaboration with Market Development Fund; and Memorandum of Understanding (MOU) signing with Post Fiji for online sales and promotion of companies registered under the FMBF Campaign.

The Fijian Made Facebook page has over 200,000 followers and 161,000 engagements throughout the year.

AUDIO – VISUAL AGENTS LICENSING

The Audio-Visual is a priority economic sector for Fiji. There were 15 audio-visual licenses granted to companies providing a variety of services to film productions, which includes accommodation to medical and legal services. Many of these audio-visual licensees have worked on international film productions such as Survivor US and the new World's Toughest Race: Eco-Challenge Fiji.

Since the outbreak of COVID-19, the closure of borders around the world impacted the production of films. The Ministry which is part of the COVID-19 Risk Mitigation Taskforce (CRMT) worked closely with all stakeholders to welcome film productions to Fiji in a COVID-safe manner, ensuring protection of the Fijian population and contributing towards economic recovery.

SCRAP METAL DEALERS LICENSE

The Ministry continued to regulate the scrap metal trade, ensuring that all licensed dealers operate within legal parameters. During this period, the Licensing Authority renewed 2 Scrap Metal Dealers Licenses and granted 10 special approvals on a case-by-case basis to Government departments, as well as public and private companies, to facilitate the controlled sale of non-ferrous metals.

STANDARDISED ROADSIDE STALLS

The Standardised Roadside Stalls scheme continued to empower grassroot communities by providing better facilities to market their produce. Eleven (11) new stalls were constructed this financial year. This brought the total to date to 102 semi-permanent stalls, 83 stalls are in Viti Levu with the remaining 19 in Vanua Levu. This year saw the start of an innovative public-private partnership approach for sponsorship on the roadside stalls. This approach helps support the development and leasing of stalls to vendors at the cost of the sponsors. The Ministry conducted a survey on the 91 roadside stall holders and commenced work on the renewal of leases.

PRIME MINISTER'S NATIONAL YOUTH AWARDS

The Ministry launched the Prime Minister's National Youth Awards (PMNYA) on 13 December 2019 to recognise and acknowledge contributions of young Fijians between the ages of 18 and 35 years, in their respective field and talents.

An extensive application drive was conducted with a total of 157 applications received. A committee consisting of senior officials from the public and private sector was formed to organise the event. The Permanent Secretary for Commerce, Trade, Tourism and Transport chaired the committee. Furthermore, a panel of judges with excellent knowledge in different areas of expertise was appointed by the Chairperson of the PMNYA committee to assess the applications.

Due to the COVID-19 pandemic, the PMNYA had been one of the many events that had to be postponed. While public health circumstances were beyond this event's control, the Ministry is pleased to report that the PMNYA attracted a lot of attention and interest from the private sector with a total of 15 sponsors for the event.

SPECIAL ECONOMIC ZONE

The Fiji Government has continued towards its strong commitment to establish Fiji as a manufacturing and services hub of the Pacific through the development of the Navutu Special Economic Zone (SEZ). The Navutu SEZ will create an enabling environment for Fiji towards building economic resilience against natural disasters, generate new employment and improve infrastructure to eradicate the urban drift challenges that the western community is facing, and will ultimately boost supply chain for various products and services.

COMPETITION AND CONSUMER PROTECTION POLICY AND LEGISLATION REFORM

Fiji's Competition and Consumer Protection Policy will reinforce economic development by safeguarding consumers and the private sector while the legislation reform will provide a very robust competition framework through incorporating international best practices.

The Ministry successfully developed the Competition and Consumer Protection Policy Statement through the wider stakeholder consultation with the public and private sector. The Policy Statement was successfully endorsed by the Cabinet and this laid the foundation for the Fijian Competition and Consumer Commission Act 2010 (FCCC Act) reform. The Ministry as such is working with the Asian Development Bank's Private Sector Development Initiative (ADB PSDI), who are providing the technical expertise in developing a draft bill that will ultimately amend the existing FCCC Act 2010. This will guide Fiji's vision of being the regional trade, commerce, technology, and communications hub of the South Pacific.

LANDLORD TENANCY BILL

Following Cabinet approval on 21 March 2019, the Ministry formed a Working Group with the Office of Solicitor General, Fijian Competition and Consumer Commission, Consumer Council of Fiji and Real Estate Agents Licensing Board to draft a governing piece of legislation for the residential rental market.

The Landlord and Tenancy Act, once implemented, intends to address issues currently faced both by residential rental tenants and landlords. The Act will set clear rights and procedures for both the landlords and tenants.

FIJI INVESTMENT CORPORATION LIMITED

Incorporated in 2002, the Fiji Investment Corporation Limited (FICL) is a Private Limited Liability Company, wholly owned by the Fijian Government.

Established under the Ministry of Commerce, Trade, Tourism and Transport and the Ministry of Economy, the revival of FICL contributes towards COVID-19 recovery and acts as a catalyst for domestic investment, particularly by Micro, Small, Medium Enterprises. A new Board of Directors made up of key private sector representatives were appointed to realize the Fijian Government's vision.

The Ministry acts as the Secretariat and is responsible for the efficient administration of FICL including fullment of the statutory and regulatory requirements and ensure that the decisions of the Board of Directors are implemented.



TOURISM UNIT

The Unit formulates and implements policies and strategies to enable Fiji's market re-entry in a focused, coordinated and sustainable manner. The Unit also oversees the performance of Tourism Fiji, which is responsible for marketing and promoting Fiji as a tourist destination.

FIJIAN COVID-SAFE ECONOMIC RECOVERY FRAMEWORK

Following the global lockdown and the health and economic impacts of the COVID-19 pandemic, the Ministry in consultation with various stakeholders, established the **Fijian COVID Safe Economic Recovery Framework**, which was launched by the Honorable Prime Minister in June 2020. The Framework outlines a three phased approach. It is based on the core principles of stopping the importation of COVID-19, ensuring health system readiness and breaking known chains of transmission, while allowing for safe economic activity.

To implement, manage and mitigate risks under each of these phases, the Cabinet endorsed COVID-19 Risk Mitigation Taskforce (CRMT) was established. The CRMT consists of the Permanent Secretary for Economy as Chair, Permanent Secretary for Health and Medical Services, Permanent Secretary for Commerce, Trade, Tourism and Transport while the Secretarial support is provided by the Ministry.

The CRMT is actively involved in assessing applications received under the Blue Lanes initiative, Specific Request under Significant Economic Value and cases under Fijian Citizens, Permanent Residence and Other Permit Holders and exploring further options on safely opening Fijian borders in efforts towards economic recovery.

FIJI COVID-19 BUSINESS SURVEY: TOURISM FOCUS

The Fijian Government, through the Ministry, partnered with IFC to conduct a survey of business owners and managers to better understand how the pandemic has impacted their business, how businesses were adapting to the crisis, identify resources businesses have accessed to adapt and to determine what additional resources and support businesses will need in the short term and during the recovery period.

Highlighting the pandemic's severe impact on the industry, the key findings of the **Fiji COVID-19 Business Survey: Tourism Focus** reveal that 50 percent of tourism businesses surveyed were hibernating or fully closed and 35 percent were active but with reduced staff. As far as non-tourism businesses are concerned, about 80 percent of them were fully functional or active with reduced staff. The survey also highlighted that if the economic conditions did not change in six months, 29 percent of tourism businesses and 11 percent of non-tourism businesses surveyed — around 500 businesses — expected to go bankrupt.

TOURISM RECOVERY TEAM ACTIVATED

In recognising the impact of COVID-19 on travel and tourism, key industry leaders officially came together to form the 'Tourism Recovery Team'. Chaired by the Permanent Secretary for Commerce, Trade, Tourism and Transport, the Tourism Response Team (TRT) is representative of key industry stakeholders such as Tourism Fiji, Fiji Hotel and Tourism Association, Fiji Airways, Reserve Bank of Fiji, Society of Fiji Travel Associates, and the Ministry of Health and Medical Services, to name a few.

The TRT was formed by overwhelming industry demand to have a consultative body that is able to channel the concerns and challenges faced by the industry and find pragmatic solutions. Initially, discussions focused around sharing information on immediate impacts, ensuring compliance with Government-mandated measures and repatriating international visitors. As the situation evolved, the group was formalised to provide more strategic and visionary guidance, *inter alia*, for the longevity of the industry.

COVID SAFE TOURISM BUSINESSES

To complement the Fijian COVID Safe Economic Recovery Framework, which sets the parameters of entry into Fiji and measures for operating in a COVID Safe environment, the Ministry developed COVID Safe Operations: Guidelines for the Fiji Tourism Industry. The Guidelines aim to guide tourism businesses into the new reality, re-instill trust in the Fijian brand and drive advocacy for compliance amongst businesses.

'LOVE OUR LOCALS' CAMPAIGN: SOLIDIFYING DOMESTIC TOURISM

Championed by Tourism Fiji, on 5 June 2020, the Minister officially launched the "Love our Locals" campaign – a new domestic tourism initiative which is part of stage two of its market re-entry strategy. The 'Love our Locals' Campaign embraces the spirit of love and solidarity through action. It takes inspiration from the Hon. Prime Minister's call to action. It asked Fijians to rally behind their local restaurants, tour operators and hotels to show support for Fiji by holidaying here at home.

This initiative has not only allowed many tourism operators to remain in business and continue keeping Fijians at work, but to put to test and practice the new normal, restore traveller confidence and stimulate local demand.



STRENGTHENING TOURISM VALUE CHAINS

CHEFS TRAINING

A total of four trainings had been held with 80 Chefs to date under this initiative covering four regions (Yasawa, Coral Coast, Rakiraki and Savusavu). The 2020 Chefs training was held from 2 – 6 March in Savusavu, with a total of 24 participants from properties ranging from seven-star resorts like Laucala Island Resort to medium and small operators like Daku Resort and Copra Shed Marina.

The Contemporary Island Cuisine training for local chefs/cooks is part of an initiative between the Ministry, the Ministry of Agriculture and the Pacific Resort Island Consultants that was introduced in 2016. The key objective is to strengthen the link between Fiji's major economic sectors of tourism, agriculture and aquaculture through the promotion of local Fijian produce and their use in the tourism sector. The initiative allows participants to learn the many creative ways to feature local produce in their menus, under the guidance of world-renowned chef Colin Chun and Consultant, Greg Cornwall.

2019 HOTECH Tradeshow

The HOTECH also hosted a side event where competitions were run in parallel. This included the Barista, table napkin folding, bed making and a culinary masterclass challenge. New and innovative technology on display during the tradeshow attracted interest from hoteliers, these included catering and hotel equipment. Distributors also planned solar powered and energy saving equipment in the future, taking into consideration energy needs of island resorts.

The **16th HOTECH Tradeshow** event was held from 6 – 9 November 2019 at the Denarau Convention Centre. The event was attended by 34 exhibitors both local and international companies with a total of 54 booths. The Ministry used this platform to promote the "Fijian Made – Buy Fijian" campaign where products from Fijian Made companies and produce from Ministry supported farmers and Co-operatives were showcased.

INTERNATIONAL VISITOR SURVEY

Findings from Fiji's 2019 Annual International Visitor Survey (IVS) reveal total tourism earnings of \$3.03 billion. Tourists spent the most on accommodation, which amounted to \$992 million or 33 percent of total earnings. International airfares totaled \$901 million or 30 percent of tourism revenue while tourists spent \$606 million on restaurants and bars, particularly through meals included in pre-paid packages.

In partnership with International Finance Corporation, the Ministry in this financial year released the 2019 International Visitor Survey (IVS) interim Report. While travel and tourism has come to a grinding halt in 2020, owing to the unprecedented COVID-19 pandemic, the IVS will provide invaluable context to help shape the country's tourism recovery.



“

2019 was an exceptional year for the Fijian tourism industry. It's especially noteworthy because we've reached our \$2.2 billion target, ahead of 2021 as initially anticipated. "While we acknowledge global travel and tourism has taken a significant hit from the pandemic, and 2020 will be a difficult year, we hope the IVS Report can be taken as a benchmark for Government and industry to strive towards

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ASSESSMENT OF THE ECONOMIC IMPACT OF CRUISE TOURISM IN FIJI

A study led by IFC says more investment to attract cruise tourism to Fiji could lead to an added US\$43.98 million to the Fijian economy over the next 10 years. The study, Assessment of the Economic Impact of Cruise Tourism in Fiji, says cruise tourism contributed US\$21.4 million to the Fiji economy in 2018, with the flow on effects of tourism worth an extra US\$22.7 million.

Following inception in the last financial year, the study was launched by Hon. Minister for Commerce, Trade, Tourism and Transport, Australian High Commission to Fiji, John Feakes and Thomas Jacobs, IFC Country Manager for the Pacific in November 2019, identifying seven investment opportunities that could potentially generate more revenue for Fiji. It found nearly half cruise ship passengers wanted to spend more in the country but had unmet spending opportunities.

STRENGTHENED INTERNATIONAL PARTNERSHIP

PARTNERSHIP WITH MARKET DEVELOPMENT FACILITY

The Ministry on 29 January 2020 signed a Memorandum of Understanding (MOU) with the Australian Government funded, Market Development Facility (MDF) to support private sector development.

The work of the Ministry and MDF are closely aligned, therefore, the signing provides opportunities to seek technical assistance in implementing key strategies of the Fijian Tourism 2021. Key areas of collaboration the two organisations embarked on were regional branding, niche market development and business incubation services for young entrepreneurs.

9TH MEETING OF THE UNWTO COMMITTEE ON TOURISM AND COMPETITIVENESS

Fiji and the Pacific region, was for the first time represented at the 9th meeting of the UN World Tourism Organisation's (UNWTO) Committee on Tourism and Competitiveness (CTC), in its capacity as a member representing the UNWTO Commission for East Asia and the Pacific (CAP).

Fiji expressed its candidature for the CTC for the period of 2019-2023, occupying the one seat allocated to the UNWTO CAP by the decision of its 53rd meeting in Bhutan.

Subsequently, along the margins of the 23rd General Assembly, Fiji was confirmed as a member following the endorsement of the 111th session of the Executive Council in its newly elected composition on 13 September 2018. At the 9th meeting of the CTC on 24 January 2020 in Madrid, Spain, attended by Fijian Consul General/Trade Commissioner China, Dr Yolinda Chan, Fiji was successfully elected as Vice Chair for the 2019-2023 period.

WORLD TOURISM DAY 2019: 'TOURISM AND JOBS: A BETTER FUTURE FOR ALL'

In 2019, in line with UNWTO's overarching focus on skills, education and jobs throughout the year, World Tourism Day (WTD) was a celebration of 'Tourism and Jobs: a better future for all'. The theme has a nity with Fiji's commitment to the sustainable development of the Fijian tourism industry, as well as the Fijian economy at large.

In the spirit of WTD 2019, the Ministry participated at the University of the South Pacific's School of Tourism and Hospitality Management (STHM), annual Careers Fair held at the Shangri-La's Fijian Resort and Spa. The event saw a total of 99 students (62 graduating and 37 interns) and 42 industry representatives participate.

Along the margins, the Ministry and STHM, collaborated on a sh house building and coral planting engagement at the Outrigger Fiji Resort & Spa in honor of Fiji's commitment in the global arena. In attendance were TS208 Operational Issues for Hospitality students and Senior Lectures and sta of the Outrigger.

TOURISM AWARENESS AND CAPACITY BUILDING

To spread the benefit of tourism throughout Fiji and in communities, the Ministry continued with an integrated approach to support communities and tourism MSMEs. The Ministry in conjunction with tourism stakeholders engaged a total of 8 communities with 2 revisited as:

(I) YASAWA FESTIVAL The Ministry, along with other Government stakeholders participated at the Yasawa festival at Churchill Park from 30 October – 1 November 2019. At the Fijian Government roadshow, time slots were allocated for Government Departments to interact with community members who wish to access information on government services and assistance, in particular on business.

(II) REVISIT TO YALOBI VILLAGE, YASAWA The Ministry revisited Fijians of Yalobi Village in Waya, Yasawa on 5 November 2019 as a follow-up to the community awareness engagement conducted in July 2019. The Ministry took the opportunity to conduct the FIJIAN HOSTS customer service training for 13 youth, highlighting the importance of communication in service delivery. The officials took a tour of Yalobi to obtain first-hand experience of how the tour will be conducted and how best to promote it.

(III) NASAVU VILLAGE – SERUA The Ministry visited Nasavu Village in Serua on 30 September 2019, in a joint collaboration with the Serua Provincial Council and the iTaukei Affairs Board – exploring business opportunities and providing advice on how to better utilise resources sustainably. Discussions focused around brainstorming ideas with the community to be involved in Ecotourism and encouraging them to understand the potentials of tourism development.

(IV) NAMAQUAMAQUA VILLAGE, SERUA The Ministry along with representatives of the iTaukei Affairs Board and the Serua Provincial Office met with villagers of Namaqua, Serua on 16 August 2019 to provide tourism and business advice to the members of Sema and Nataukele clans, in developing tour products to attract the cruise market. The joint collaboration offered an opportunity for Government and resource owners to engage and discuss key issues faced by the community in terms of income generation and sustainable tourism product development.

(V) REJUVENATING THE OLD CAPITAL (LEVUKA) FOR TOURISM BOOST Representatives from the Ministry, Tour Managers Department of Heritage and Arts and the Lomaiviti Provincial Council visited 3 districts (Nasinau, Lovoni and Bureta) and the New Hebrides community in Levuka, Ovalau to conduct a tourism scoping exercise from the 5 – 6 September 2019 in preparation for the Back to Levuka Week Programme.

The visit included 'talanoa sessions' with communities to identify natural and heritage attractions that can be used for tourism related activities, while providing business advice on Tourism development.



TRADE UNIT

The Unit's role is to formulate and implement policies and initiatives to enhance Fiji's international trade and coordinate trade and investment missions both inward and outbound. The Unit also advances negotiations to create favourable global market access opportunities for Fijian goods and services. The Unit is concurrently tasked to increase Fiji's regional and global economic integration to enhance Fiji's economic performance.

The Unit monitors the performance of five Trade Commissions, as well as, Film Fiji and Investment Fiji.

TRADE COMMISSIONS

There are five Trade Commissions for key markets such as Australia, New Zealand, China, North America and the Pacific Island Countries. Trade Commission Papua New Guinea was expanded to cover the rest of the Pacific Island Country market. The Trade Commissions are tasked with promoting and creating trade and investment opportunities for Fiji. Due to the economic effects caused by COVID 19, the Trade Commissions played an important role to redouble efforts towards faster economic recovery.

The Trade Commissions facilitated and took part in various of webinars, with speakers from E-Commerce platforms such as Pacific Cell, Shopify, Amazon and Facebook. These webinars were part of the efforts to assist Fijian MSME's to get online and promote their products. Other major events such as the Fine Food Show, business dialogue, forums and seminars, outbound investment missions, were organised.

In response to the disruptions caused to global supply chains by COVID-19, export strategies had been prepared to ensure the continual flow of exports from Fiji. In addition to this, the Trade Commissions continued to interact with agricultural, supply-chain and export companies to assist with issues they faced due to COVID-19. In terms of investment, key sectors in the area of ICT, Business Process Outsourcing and manufacturing were targeted. The Ministry successfully relocated the Fijian Trade Commission North America from Los Angeles to San Francisco, so that presence in the Bay area bestowed access and proximity to Silicon Valley, venture capitalists, investors, the world's largest technology sector and a significant diaspora population.

The Trade Commissions have also worked hand-in-hand with Fiji Airways to secure air freight of food and medical supplies, as well as, the repatriation of Fijian citizens.

ROUNDTABLE DISCUSSIONS ON TRADE AND ECONOMIC RELATIONS

On 2 October the Ministry, hosted a roundtable event on economic governance and private sector development, with a focus on areas of interest to both Fiji and New Zealand. The New Zealand Minister for Trade and Export Growth, Hon. David Parker and Hon Faiyaz Koya, Minister for Commerce, Trade, Tourism and Transport participated in the discussions.

The aim of the roundtable was to foster closer economic cooperation, progress issues of economic importance, and to identify opportunities for greater cooperation and integration for both Fiji and New Zealand.

MALAYSIA- FIJI TRADE ROUNDTABLE AND BUSINESS MATCHING SESSION, 27 JUNE 2019



The Ministry participated in the Accelerated Export Mission (AEM), where Malaysia-Fiji Trade Round-table and Business Matching Meetings were organised by the Malaysia External Trade Development Corporation (MATRADE). The Roundtable discussions focused on the relation shared between both countries, investment opportunities and incentives that Fiji has to offer. Malaysian companies participating in the event ranging from infrastructure development, green building design, renewable energy service provider, ICT and software development, health and pharmaceuticals, textiles, furniture, food and beverages. Fijian businesses managed to hold successful talks and forge connections with the Malaysian counterparts who shared a similar business landscape and objective.

COMMONWEALTH TRADE MINISTERS MEETING

The Meeting of the Commonwealth Trade Ministers took place on 10 October 2019, at Marlborough House in London. It was preceded by the Senior Trade Officials Meeting, which was held from 7-9 October 2019. The Honourable Minister for Commerce, Trade, Tourism and Transport was represented at the Meeting by Fiji's High Commissioner to the United Kingdom, H.E Jitoko Tikolevu, and was supported by Trade Officials.

The high-level event brought together Trade Ministers from 53 Commonwealth Member countries to discuss major trade issues, strengthening of the multilateral trading system, the impact of climate change, Commonwealth's Connectivity Agenda (CCA) and Digital Transformation, among others Members expressed their mutual concerns on the impact of Climate Change to their economies, trading infrastructure and societies. The vulnerability of SIDS and Small and Vulnerable Economies was also recognised.

The outcomes of the meeting were to inform leaders' discussions at the forthcoming Commonwealth Heads of Government Meeting (CHOGM) in Kigali, Rwanda in June 2020. As the result of the ongoing COVID-19 pandemic, the 26th CHOGM has been postponed to a later date.



CHINA INTERNATIONAL IMPORTS EXPO (5-10 NOVEMBER 2019)

China International Imports Expo, is an annual event for China and is an initiative of H.E President Shi Jing Ping, under the "Belt and Road Initiative. Fiji continues to be one of the 155 countries to participate in this expo under the three categories (a) the National Pavilions; (b) the Private Sector display and (c) International Forums.

The Fijian delegation attended (i) WTO Reform and Free Trade Agreements; (ii) E-commerce in the Digital Era; (iii) Shanghai City Promotional Convention and (iv) Quzhou City Promotional Convention.

EASE OF DOING BUSINESS REFORMS - BUSINESS LICENSING REFORMS

In the quest for easing the processes of doing business in Fiji, Hon. Minister made some major reform announcements on 22 December 2019, regarding obtaining and renewal of business licenses. Not only business license will now be expected to be issued in 48 hours, responsibility of complying with the laws is placed on the Entrepreneurs, making it a risk-based approach. Other significant changes include the (i) change in categorisation of business licenses, (ii) classification of high-risk & low risk businesses, (iii) renewals up to 3 years and (iv) changes in the fees structure.

PACIFIC ACP AND FORUM TRADE MINISTERS MEETING

Fiji hosted the Forum Trade Ministers Meeting ("FTMM") from 11 to 13 February 2020, in Suva under the theme 'Pacific Trading Nations: From Surviving to Thriving'. The Forum Trade Ministers Meeting was preceded by Pacific ACP Trade Ministers Meeting and the Officials meetings for both Pacific ACP and Forum.

The Meetings considered a range of issues from Post Cotonou negotiations and World Trade Organisation's (WTO) 12th Ministerial Conference to discussions on trade opportunities with external partners. The Meeting also considered a range of sustainable development challenges faced by the Pacific region, promotion of regional economic integration, strengthening of connectivity, export-led growth and decent work opportunities in the region.

Ministers also discussed enhancing governance of regional labour mobility, and linkages between trade and environment to reduce the production and consumption of Hydrofluorocarbons, and Trade and Health, in particular, implications of trade on the increasing incidence of Non-Communicable Diseases in the Pacific Region.

Key outcomes of the 2020 FTMM include: endorsement of the Pacific Aid for Trade Strategy (PAfTS 2020-2025), the region's blue print that will guide coordination and mobilization of resources towards four priority areas: e-commerce, connectivity, deepening forum markets (in the context of Quality Infrastructure and Trade Facilitation), and trade in services.

PICTA ROO REVIEW

At their meeting in Samoa in 2017, Pacific Island Leaders agreed that the Pacific Island Countries Trade Agreement ("PICTA") Rules of Origin ("ROO") Framework should provide for deeper integration amongst the Forum Island Countries. They directed the Forum Secretariat to facilitate the establishment of a PICTA Rules of Origin Committee ("ROC") to review the PICTA ROO. As a result, in-country consultations were undertaken in Fiji to consult the private sector and trade facilitation agencies on the challenges faced whilst trading under PICTA and recommend a way forward in terms of the review of the PICTA ROO.

SEVENTH INTERIM ECONOMIC PARTNERSHIP AGREEMENT TRADE COMMITTEE MEETING

The 7th Interim Economic Partnership Agreement (IEPA) Trade Committee Meeting held from 3-4 October in Suva, concluded with resolutions and undertakings to build better trade and economic partnership between the European Union (EU) and the Pacific. The Trade Committee was complemented by a series of bilateral meetings between the EU and the Pacific, and the Meeting of the Special Committee on Customs Cooperation and Rules of Origin (SCCCROO) on 2 October 2019, and related capacity building workshop from 30 September to 1 October 2019.

INVESTMENT BUSINESS REFORMS

The Reform Unit, in preparation for the Doing Business Report 2021, on 15 May 2020, submitted the respective correspondence to the World Bank Group for each of the 10 indices, identifying corrections and reforms implemented for each procedure. Some of the achievements for 2019-2020 financial year include:

Reduction of time and adaptation of risk based approach for business licensing from 1 January 2020, later on, the 2020-2021 budget announcement including the total elimination of the business license procedure;

In order to start a business, an entrepreneur only needs to register their business name, obtain TIN, identify their risk category. High Risk businesses, need to meet the requirements identified on www.bizfiji.com, whilst low risk category can start operation, and meet respective requirements within 6 months;

In area of Construction Permits, a parallel process is now established through the Building Permits Evaluation Committee, which is a fast-tracked approach for commercial and industrial building permits application;

Continuous updating of the bizFIJI Portal: this is a one-stop platform for any investor, local or foreign, to extract all relevant information with respect to Starting a Business and Getting Construction Permit. This portal, provides the user a single platform of concise and relevant information to facilitate applications, with user-friendly navigation. This website now features additional tabs such as COVID-19; bizHELP and Additional Services (information and links for getting electricity and handling taxation matters);

Most importantly, the Doing Business Taskforce, this taskforce, is chaired by the Permanent Secretary for Commerce, Trade, Tourism and Transport and comprises of the respective Permanent Secretary's, CEO's, and Directors of all approval agencies. The main aim of this Taskforce is to deliberate on the proposed reforms and ensure each agency implements the agreed changes.

(C) REVIEW OF INVESTMENT RELATED LEGISLATIONS AND REGULATIONS.

The Team is also working with the World Bank Group and International Financial Corporation on establishment of an Investment Act 2020, which shall repeal the current the Foreign Investment Act 1999. Also this project includes regulatory changes in the areas of negative list, national security, immigration policy and FDI Reporting. These changes will lead to change in the role of Investment Fiji, i.e will lead to Investment Fiji becoming a fully-fledged investment promotion agency, with the key role being investment promotion and facilitation.

Achievements in the areas of Investment related Legislative Reforms are inclusive of:

22 January 2019 – Cabinet endorsed the Investment Policy Statement, which was then launched and officiated in the presence of various private sector and public stakeholders.



DEPARTMENT OF NATIONAL TRADE MEASUREMENT AND STANDARDS

The Department of National Trade Measurement and Standards is responsible for the implementation of laws and regulations that protect consumers from the use of unsafe and poor-quality products and creates favourable conditions for the exchange of goods.

The Department also develops national and international standards in order to raise levels of quality, safety, reliability, safety, efficient and interchangeability of products and services. It maintains the national system of units and standards of measurement to ensure the fair and just use of units of measurements. The Department also regulates the trade of scrap metal to prevent the illegal trade of public infrastructure metal in Fiji.

REVIEW OF 1992 NATIONAL TRADE STANDARDS AND QUALITY CONTROL ACT

The Department has undertaken the review of the 1992 Trade Standards and Quality Control Act where it completed its major consultations with all its stakeholders. The revised amendments will be forwarded to Solicitor-General's Office and later to Cabinet for endorsement. Similarly, there will be a review of the 1989 National and Trade Measurement Act and preliminary governance arrangements were set up to commence the said review.

STANDARDS PROJECTS

The National Standard Development is the one of the core activities of the Department. The Department successfully published the Guidelines for Improving Building Safety and Resilience of New Single Storey Houses and Schools in Rural Areas of Fiji. In addition the department received 3 New Project Requests, listed below, whilst continuing work on ongoing projects:

1. Review of AS/NZS 1170.2 Structural design actions, Part 2: Wind loads
2. Electrical appliance (IEC60335)
3. Gas Appliance safety

OTHER KEY EVENTS

1. REGIONAL QUALITY INFRASTRUCTURE WORKSHOP

The Pacific Islands Forum Secretariat (PIFS) convened the 1st Regional Quality Infrastructure (QI) Workshop in the Pacific from 2-6 September 2019 in Nadi, Fiji. This workshop was attended by the Standards Unit and is part of a broader initiative to promote quality assurance throughout the Pacific.

The purpose of workshop was to encourage robust discussions with Forum Island Countries (FICs) to share skills and experiences in QI. Issues discussed included the need to build QI systems, quality requirements demanded by local and overseas buyers/markets, and appropriate quality enforcement actions.

2. WORLD STANDARDS DAY

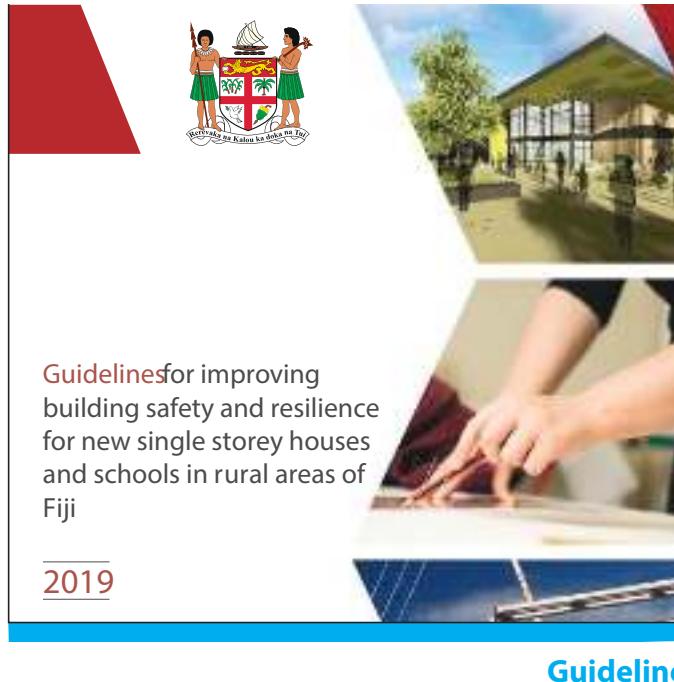
The Department hosted World Standards Day (WSD) on the October 14, 2019 at Grand Pacific Hotel. The theme for the WSD was "Video Standards Creates Global Stage" which showcased the role of Standards in advancing video technology, revolutionizing entertainment, connecting friends and families across the globe, enriching our communications experiences and enabling major improvements in medical care and education.



3. TRAINING ON THE GUIDELINES FOR IMPROVING BUILDING SAFETY AND RESILIENCE OF NEW SINGLE STOREY HOUSES AND SCHOOLS IN RURAL AREAS OF FIJI

To strengthen the building structures in rural areas or villages in Fiji, the Ministry worked with the World Bank Group to develop a Guideline on Single Storey Houses and Schools. The objective of this Guideline is to provide guidelines and good practices that can be followed when building houses in villages and rural areas.

The training on the Guideline was held from 25 to 27 September 2019. These included relevant agencies and line Ministries to get feedback on the proposed Guideline and to ascertain what the guideline should cover.



Guideline

ENHANCE AND STRENGTHEN CONSUMER PROTECTION THROUGH FAIR TRADE POLICIES, LAWS AND ENFORCEMENT

As part of the enforcement the Department undertook the following:

Fireworks Inspection conducted from 21 - 28 October, 2019 in Fiji

In 2004 fireworks were declared dangerous under the Trade Standards and Quality Control Act 1992 (Act). The purpose of the inspection was to ensure that traders were selling permitted fireworks that were properly labelled for consumers' safety. A total of 364 traders were inspected to check for compliance with the declaration of dangerous goods and fireworks labeling.

Bottled Water audit was carried out from 2 to 5 December 2019

The team visited 7 companies and after the audit 5 companies were issued with Certificate of Production (COP) and 2 companies did not receive COPs since the companies were not undertaking any production activity.

Monitoring of Fuel

Effective monitoring for fuel was done throughout the year since the Department is the regulator of Trade Standards (Fuel Standards) Order 2007.

TRADE MEASUREMENT UNIT

The Trade Measurement Unit undertakes verification and certification of instruments used for trade purposes as part of the enforcement under the 1989 National and Trade Measurement Act. The Unit also collects revenue from verification and certification of instruments, licensing traders to verify equipment and from the issuance of import license for roofing coils and cyclonic screws.

A total of 5,327 instruments were weighed, measured and consequently stamped signifying the instruments were suitable for public use however 5 instruments were rejected.

The National Measurement Laboratory issued 14 principal licenses, 27 repairers' licenses, 5 public weighman licenses, 148 imports licenses whilst 4 pattern approvals were given to traders to bring new model equipment.

3. TRAINING ON THE GUIDELINES FOR IMPROVING BUILDING SAFETY AND RESILIENCE OF NEW SINGLE STOREY HOUSES AND SCHOOLS IN RURAL AREAS OF FIJI

To strengthen the building structures in rural areas or villages in Fiji, the Ministry worked with the World Bank Group to develop a Guideline on Single Storey Houses and Schools. The objective of this Guideline is to provide guidelines and good practices that can be followed when building houses in villages and rural areas.

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DEPARTMENT OF CO-OPERATIVES BUSINESS

Department of Co-operative Business – Annual Report 2019/2020

The Department is responsible for formulating and implementing policies and strategies to facilitate the promotion, establishment and monitoring of co-operative businesses in Fiji.

In Fiji, co-operatives are registered and governed under the Co-operative Act 1996 and its functions are based on six key values of self-help, self-responsibility, democracy, equality, equity, and solidarity.

There are 376 co-operatives that operate across 14 different sectors in Fiji namely, Accommodation and Food Service Activities, Administrative and Support Service Activities, Agriculture and Food Industry, Banking, Tourism, Industry, Investment, Logging, Multi-Purpose, Real Estate Activities, Transport, Utilities, Wholesale and Retail and Other Services.

MAJOR HIGHLIGHTS

For 2019/2020 financial year, the Department conducted 90 co-operative awareness sessions and 20 new co-operatives were registered. The majority of the newly registered co-operatives were engaged in the Agriculture sector such as farm mechanisation and farming.

A total of 127 new jobs were created through the establishment of these co-operatives. Additionally, 70 women and youth took up leadership roles with the co-operatives, further enhancing the key roles played by women and youth in today's society.

The Department received 140 financial accounts which was an increase by 27% from the 2018/2019 financial year. Additionally, the total asset base for co-operatives stood at \$127.5 million while total revenue stood at \$16.3 million for the 2019/2020 year.

TRAININGS

The Co-operative College of Fiji which is responsible for conducting training for co-operatives and communities managed to conduct 21 trainings across Fiji amidst challenges brought on by COVID-19. The College trained 593 Fijians out of which 53% were women in areas of Co-operative Management, Start Your Business (SYB), Book Keeping and Financial Literacy. The Department worked closely with resource based Ministries such as the Ministry of Agriculture, Fisheries, Forestry, Sugar, and Development Partners to form co-operatives and improve livelihoods of its members.

MSME FIJI

The Fiji Government recognises Micro, Small and Medium Enterprises (MSMEs) as a critical component in the growth of the Economy. Pre COVID19 MSME's in Fiji contributed to 18% of our GDP and 60% to our Labour Force, however these statistics only account for registered businesses and would be higher if unregistered businesses are factored.

In the 5-Year and 20-Year National Development Plan, the Fijian Government has required the establishment of a central coordinating agency to formulate and implement policies and strategies to facilitate the growth of MSMEs in collaboration with various stakeholders, MSME Fiji is this agency.

MSME Fiji provides business training and advisory services assist customers in overcoming their greatest challenge - access to finance. The Unit also works with selected private sector individuals to provide mentoring services. In addition has established a monitoring and evaluation team whose primary function is to visit the recipients of the assistance programmes and verify whether the applicants businesses are still active or recipients require further assistance in order to restart or keep their business open.

In addition to the provision of these services the Unit implements the Ministry's financial assistance programmes targeted at specific industries MSMEs operate in, namely:

- 1. Young Entrepreneurship Scheme (YES);**
- 2. National Export Strategy (NES);**
- 3. Integrated Human Resources Development Programme (IHRDP); and**
- 4. Northern Development Programme (NDP)**

YOUNG ENTREPRENEURSHIP SCHEME (YES)

The YES Programme provides financial assistance to aspiring young entrepreneurs to start up their business. In 2018/2019 financial year the programme committed to funding six (6) applicants and paid out \$61,000 in first phase funding for recipients to begin initial stages of their projects. In the 2019/2020 financial year the programme paid out a total of \$130,000 which included the release of second phase disbursements to the previous year's 6 applicants.

Also in 2019/2020 the programme funded two (2) new recipients, Mr James Colata who aspired to upgrade his gym to become an accredited CrossFit Facility in the Pacific. Secondly, Mr Rakin Wahed, built and launched an app (Pasifika Heartbeat) providing users with geographic locations of the nearest medical facilities in their vicinity, in addition the app would provide information on diseases/illnesses and awareness on non-communicable diseases.



In totality the Fiji Government has assisted 10 aspiring entrepreneurs to the tune of \$219,500 illustrating Governments commitment to nurturing the entrepreneurial spirit our young people possess and providing that little bit of assistance to kick start their business ventures.

NATIONAL EXPORT STRATEGY (NES)

Since its inception in 2007 the Fiji Government, through the NES programme has assisted 112 existing and new exporters, amounting to over \$15 million, in achieving competitiveness, value addition, export diversification and growth in targeted markets overseas. In the 2019/2020 financial year the programme assisted two companies, Ace Kava and Vanua Chocolate, at a value of \$455,000. The exporters utilised funds through the construction of a processing centre and procuring equipment to increase production respectively. Through this targeted assistance programme, Ace Kava has gone on to begin exporting to the United States and Vanua Chocolate hopes to enter into the Australian and New Zealand Market.



INTEGRATED HUMAN RESOURCES DEVELOPMENT PROGRAMME (IHRDP)

The IHRDP programme aims to empower rural communities by creating an enabling environment for investment and employment creation. In the 2019/2020 financial year the programme assisted three communities in Lomaiviti, Lautoka and Kadavu through the procurement of equipment to start their livelihood projects.

The members of the IHRDP programme worked closely with the Ministry's Department of Co-operative Business in formally registering the communal groups. Past experience has illustrated that being a registered entity provides a greater level of assurance in the continuity of the project. In addition to our newly funded communities the Ministry also released second phase funding of \$15,000 for four (4) communities that were assisted the previous year.

The Fiji Government also had the privilege of officiating the opening for community projects who reached the final milestone of beginning operations.

NORTHERN DEVELOPMENT PROGRAMME (NDP)

The Northern Development Programme (NDP) is a Government funded programme that provides equity assistance through grants to enterprises to improve the livelihoods of the people of the Northern Division. The programme aims to raise the level of investment, increase the volume and value of trade and increase the MSMEs participation in economic development.

In the 2019/2020 financial year, NDP assisted 24 enterprises at value of \$200,000.

The financial assistance was supplemented by business specific training programmes for the recipients prior to receiving the grant funds. The NDP monitoring and evaluation team also visited 77 project visits during the financial year to monitor the success of the projects and determine which projects may require additional business advisory or training assistance.

COVID19 MSME CONCESSIONAL LOAN SECRETARIAT

In May 2020 the MSME Concessional Loan was announced to assist businesses facing difficulties due to COVID19. The table below defines the loans conditions and enterprise eligibility:

Enterprise Type	Maximum Loan Eligibility	Maximum Loan Eligibility
New and existing micro enterprises - earning less than \$50,000 annually	\$7,000	0.5%
Small enterprises - earning between \$50,000 and \$300,000 annually	\$14,000	1. 0%
Medium enterprises – earning between \$300,000 and \$1,250,000 annually	\$21,000	1. 5%

The Fiji Government collaborated with the Private Sector partners, Fiji Institute of Accountants, Fiji Commerce & Employers Federation, Women in Business and Fiji Chamber of Commerce and Industry to provide business advisory as well as facilitate the assessment of applications. The Ministry through MSME Fiji provided secretariat support in the preparatory policy development and preliminary stages to the implementation of the loan programme.

TRAINING

In December 2019 the National Centre for Small and Micro Enterprises Development merged with the Ministry thereby creating the MSME Fiji Training Centre. Through-out the 2019/2020 financial year the training team undertook 18 trainings and trained 331 entrepreneurs despite the COVID 19 restrictions related to gatherings.

In addition to the trainings mentioned above the MSME Training team facilitated Business Plans and Financial Statement trainings during the implementation of the MSME Concessional Loan programme. The team conducted 3 hour trainings twice a day over a course of five days assisting 400 individuals in completing their application form

TRANSPORT UNIT

In a Ministerial reshuffle dated 17 April 2020, the Department of Transport was included to the Ministry through Legal Notice No 39. The Department of Transport is responsible for Land and Maritime Transport industry through its capacity to strengthen coordination, planning, policies and monitoring of the transport sector in Fiji. The Department of Government Shipping Services (GSS) consisting of more than 12 Government ships was also transferred to the Ministry.

The Department of Transport (DTR) provides an advisory role in strengthening the capability of Government to better coordinate transport planning and monitor policy and developments in the transport sector. Further, DTR also provides advice on strategic planning issues and foster coordination as guided by the inputs from the external reference group comprising of key representatives in the transport sector.

The two statutory authorities, Maritime Safety Authority of Fiji (MSAF) and Land Transport Authority (LTA) work in consultation with DTR in the implementation of Fiji's transport regulations while the Transport Planning Unit facilitates and monitors the release of their respective annual Operating and Capital Grants on a quarterly basis.

2019/2020 Key highlights of the department are:

1. Maritime Travellers Rights - Cabinet Decision No. 19/2020 on the Maritime Travellers Rights approved that the Ministry continue the nation-wide stakeholder consultations before reverting to Cabinet with finalized draft. The Department commenced consultations in the maritime islands. An action plan highlighting the step-by-step actions that will be undertaken to conclude the consultations and finalize the Maritime Travellers Rights Policy has been developed. Further consultations was undertaken with key stakeholders, including but not limited to the Consumer Council of Fiji, Small Claims Tribunal, Ministry of Economy, MSAF, FCCC, respective vessel operators/owners and members of the public.

2. Review of the LTA Act 1998 - The Department of Transport and the Land Transport Authority (LTA) has started the review of their Land Transport Act 1998 where the LTA Management had proposed changes to their functional responsibilities in order to ease business not for the LTA Clients but also for LTA as an organization as well.

3. Improve Traffic Congestion - Transport integration is an organizational process through which the planning and delivery of elements of transport system are brought together across modes, sectors, operators and institutions with the aim of increasing the net environmental and societal benefits.

4. Government Shipping Franchise Scheme (GSFS)- The Government Shipping Franchise Scheme (GSFS) was established and set up based on the proposals of the 1993 Fiji National Transport Sector Plan arranged by the Asian Development Bank (ADB). This arrangement covered approach structure and venture plans for both Land and Maritime sector. The Scheme has developed throughout the years with relation to its vessel scheduling and routes.

The scheme is now known as the Shipping Subsidy Scheme (SSS). The main objectives of the Scheme is to achieve the following:

- Introduce a shipping service to service uneconomical sea routes to maritime islands which would otherwise be un-serviced;
- Promote private shipping operators and internal traders for movement of goods and cargoes;
- Encourage the transportation of the maritime public between outer islands and major urban centres; and
- Incentivize transports operators through the support of a Government Subsidy, to service uneconomical routes.

There were 15 trips conducted to service the 10 routes namely Upper Southern Lau, Lower Southern Lau, Northern Lau, Lomaiviti, Yasaya Moala, Kadavu, Yasawa and North East Vanualevu, Rotuma and Beqa-Yanuca & Vatulele.

(b) Fiji recognized women seafarers on 27/11 September 2019 within the theme of the event being "Empowering women in Maritime Community", where 18 awards were presented to females across the board in the maritime community, from progressive female seafarer to longest serving female in the fishing sector.

a) On 26th September 2019, the Maritime Sector celebrated World Maritime Day to address the gender gap in the maritime, ports, fishing and related industries, with the theme of World Maritime Day 2019 as "Empowering Women in the Maritime Community"; This theme provided an opportunity to raise awareness of the importance of gender equality, in line with the United Nations' SDGs, and to highlight the important contribution of women all over the world to the maritime sector.

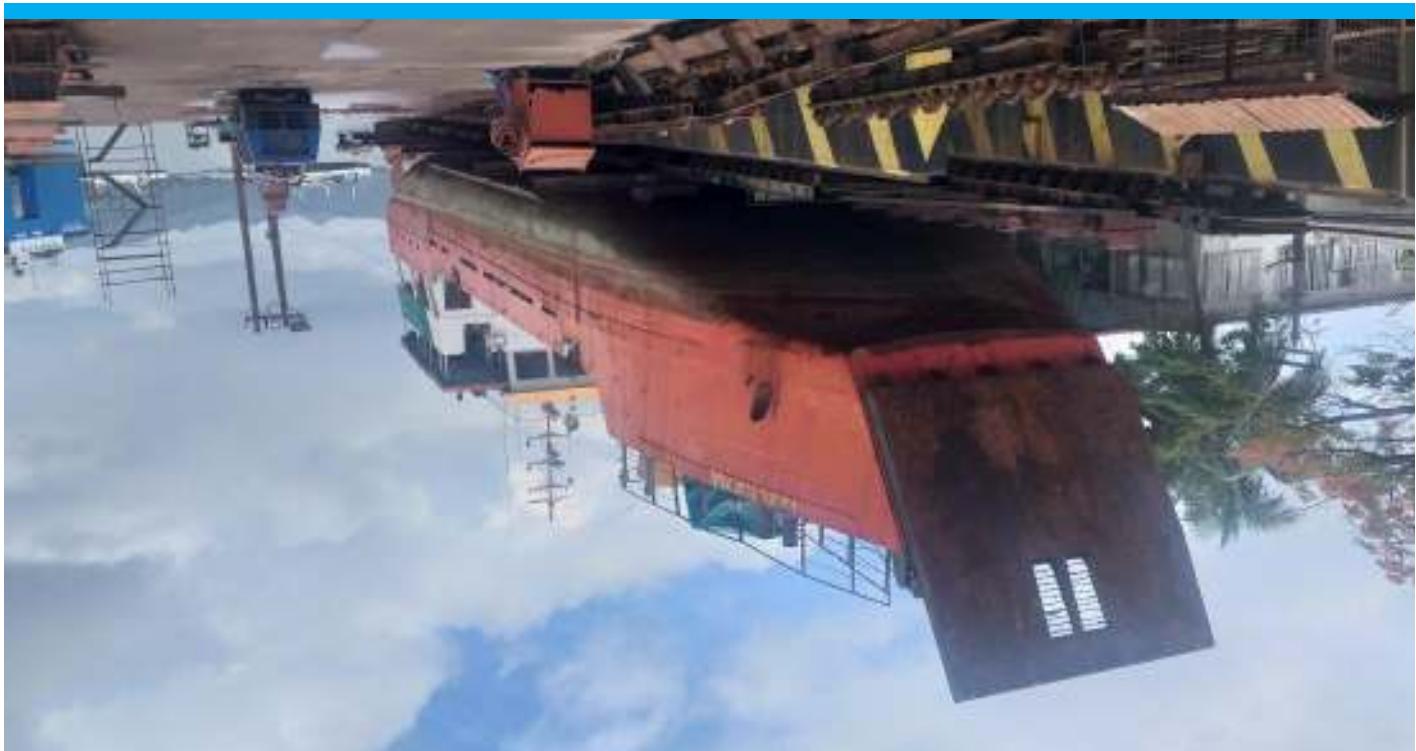
7. Annual Event

6. **Sustainable Urban Transport Index (SUTI) in Fiji** was developed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) to help summarize, track and compare the performance of cities with regard to sustainable urban transport and the related Sustainable Development Goals (SDG), more specifically target 11.2.



Year	Number of Observers	Trips Inward	Cargo (tons)	Outwards Pax (No.)	Outwards Pax (No.)
2019 (Aug-Dec)	70	\$974.86	\$2,031.28	1711	2513
2020 (Jan-July)	64	\$1,068.39	\$1,966.33	1396	1282
Total		\$2,043.25	\$3,997.61	3107	3795

The target for the said financial year is as below:



On the whole, the organization has been constituted by lack of manpower, lack of adherence to sailing schedules by Government Ministers and Agencies, inefficient processes and delay in cargo deliveries. The department will continue to expand its services and is intent in leading and providing a cost-effective, safe, efficient and effective shipping service to government and the public in general. GSS will continue to improve its provision shipping service and aids to navigation to mariners ensuring safe sailing and compliance of local and overseas maritime legislation.

Some of the key highlights of GSS achievements was the successful water cartage to the drought stricken areas in the three Divisions, the distribution of food rations, damage assessment and delivery of nonfood items (NFI) after TC Sarai and TC Harold, surgical operation for the three Divisions onboard the Medical Vessel *Leivueti*, National Agriculture Census conducted at the Maritime Islands and transportation of machineries, vehicles, project materials, general cargoes, Government officials and the public at large.

The provision of maritime services and navigation aids is vital to our economy and is a major contributor to growth and stability whilst ensuring safe passage for maritime users. It ensures sustainability in the likelihood of villages in remote outer islands and stimulates social activities, economic growth and improvement in their overall standard of living.

Governmental shipping services (GSS) continued to serve the Ministry and the nation as a whole with its maintenance and operational programmes with the service delivery for the related Ministries/Departments and even private organizations within its limited resources for annual allocations.

CORPORATE SERVICES DIVISION

(II) GENDER BALANCE

From the 337 staff employed, 233 were male staff and 104 were female. The Ministry employed more males (69%) than females (31%) during this period.

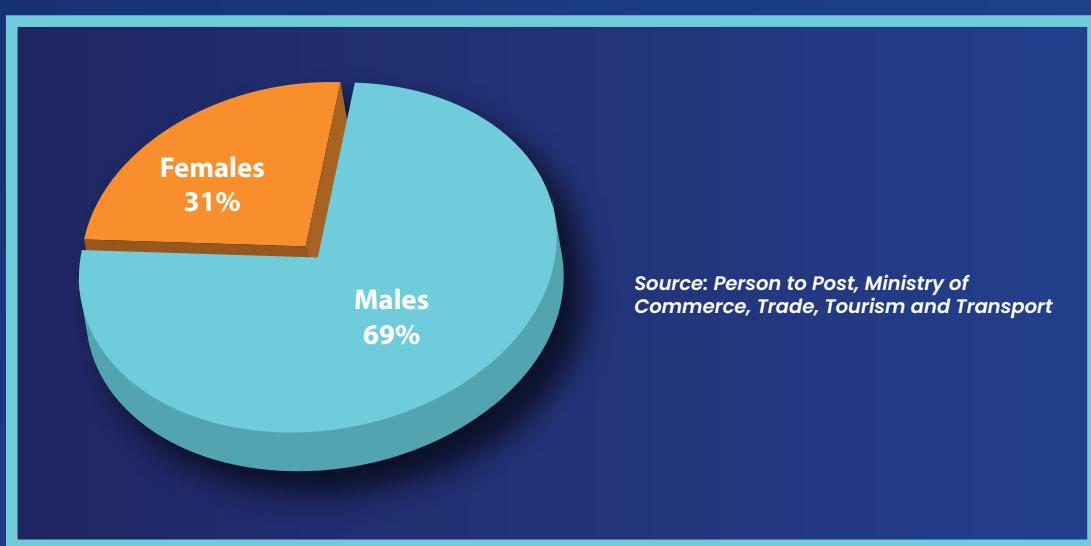
STAFF ESTABLISHMENT

The approved staff establishment of the Ministry during the 2019 -2020 financial year was 451 positions - 253 established positions, 184 Government Wage Earners (GWEs) and 14 project positions.

The staff establishment had increased due to the establishment of MSME Fiji and inclusion of the Department of Transport and Government Shipping Services under the Ministry's portfolio.

(I) EMPLOYMENT STATUS

The Ministry employed 337 staff in the 2019 - 2020 financial year, of which 336 were on contracts and only 1 staff on permanent appointment. A total of 114 posts were vacant as at end of July 2020.



(III) STAFF MOVEMENT

In the 2019–2020 financial year the Ministry welcomed 61 new appointments and facilitated 13 promotions. The Ministry also thanked and farewelled 3 staff who retired from their employment with the Ministry and the Civil Service . Finally the Ministry facilitated 25 resignations and 2 staff whose contract term had ended.

STAFF DEVELOPMENT

Staff development and training continues to foster and support learning and performance by providing innovative, high-quality programmes, resources and services. A Training Policy and Plan is in place to guide the up skilling and capacity building of the Ministry's workforce. During this financial year, the Ministry had received a reimbursement \$19,203.67 under the FNU Levy Grant Reimbursement for 2018.

A total of 47 (14%) officers attended local training, 17 (5%) attended overseas training whilst 7 (2%) staff were granted Study Leave with Pay to pursue further studies. Officers were nominated for training programs and seminars/workshops based on their skill requirement, matched with relevance of training program to their Individual Work Plans. Officers submit Back to Office reports and share the knowledge and experience gained.

LEAVE MANAGEMENT

The Ministry continuously strives to improve its processes. A great achievement for the Ministry has been the development of an online Human Resources Information System (HRIS).

This system was implemented in the 2019 – 2020 financial year. The system has automated leave management and as such most of the leave applications and processing is being done online.

Graduate Trainee Program

The Ministry continues with the Graduate Trainee program, whereby the Ministry recruits Graduate Trainee (GT) for six (6) months. The GT program is the recruitment of the "Best and the Brightest" Graduate Trainees.

The Ministry as an employer provides on the job training and work attachment for Graduate Trainees according to the needs of the Ministry. The Ministry also engaged National Employment Centre (NEC) Volunteers.

Through the engagement of Graduate Trainees and NEC Volunteers, the Ministry provides a platform to:

- 1) Learn through hands-on work on all aspects of the Ministry.
- 2) Undertake special assignments, support and duties delegated by the Supervising Officer.
- 3) Draft, edit and write relevant papers, documents and correspondence.
- 4) Prepare briefs, meeting papers, speeches and cabinet papers.
- 5) Provide assessments and presentations on assigned tasks.

INTERNAL HUMAN RESOURCES POLICIES

For the 2019 – 2020 financial year, the Ministry had engaged 4 Graduate Trainees and 6 NEC Volunteers. Out of the 4 Graduate Trainees, 2 have been successfully absorbed into the Ministry's establishment.

The Human Resources Unit has formulated a number of internal HR Policies which will guide the administrative processes and procedures relating to staffing matters. The policies are:



Energy Management;



Social Media;



Discipline Manual;



Human Resources Manual.

STAFF REWARDS

The Ministry as an employer, believes that people are the greatest assets and strategic partners in the Ministry's journey to achieve organisational objectives.

Employee recognition in the workplace ensures reinforcement of particular behaviours, practices, or activities that result in better performance and positive organisational results.

Appreciation is a fundamental human need. Employees respond to appreciation expressed through recognition of their good work because it confirms their work is valued by others. When employees and their work are valued, their satisfaction and productivity rises, and they are motivated to maintain or improve their good work.

As such the Ministry had rewarded its workforce in 2019 with the following Awards:

- 1) Employee of the Month;
- 2) Customer Service;
- 3) Leadership Award;
- 4) Employee of the Year Award; and
- 5) Best Performing Unit.

VEHICLE FLEET

A total of 28 vehicles (21 lease vehicles and 7 state owned) were managed, administered and monitored by the Unit. For effective monitoring of mileage and fuel consumption, the Global Positioning System (GPS) is used as a tool for vehicle management and control. The Ministry has initiated the development of an online vehicle management system during this financial year. This system should be implemented during the 2020 – 2021 financial year.

CORPORATE SOCIAL RESPONSIBILITY

The Ministry continuously strives to give back to the community, particularly the most vulnerable Fijians. Key activities undertaken as part of the Ministry's commitment to its Corporate Social Responsibility (CSR) during the 2019 -2020 financial year include:

- (i) Visit to Society for Prevention of Cruelty to Animals (SPCA) Fiji whereby food items were donated for the animals housed under SPCA.



- (ii) Visit to CWM Hospital Oncology Ward with donation of bed linen and snacks for the patients.



AGENCY FINANCIAL STATEMENT



ENCL.

ccs: Mr. Shahzeen Ali, The Permanent Secretary, Ministry of Commerce, Trade, Tourism and Transport.

ACTING AUDITOR-GENERAL
Saruni Dukuno

• 0-05

Auditied financial statements for Ministry of Commerce, Trade, Tourism and Transport for the year ended 31 July 2020 together with my audit report on them are enclosed.

MINISTRY OF COMMERCE, TRADE, TOURISM AND TRANSPORT

Dear Honourable Koya

SUVA

Minister for Commerce
Civic Tower, Level 3

2202 May 2005

File: 344



MINISTRY OF COMMERCE, TRADE, TOURISM & TRANSPORT

AGENCY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY, 2020



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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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INDEPENDENT AUDITOR'S REPORT

Ministry of Commerce, Trade, Tourism and Transport

Report on the Audit of the Financial Statements

I have audited the financial statements of the Ministry of Commerce, Trade, Tourism and Transport, which comprise the Statement of Revenue and Expenditure, Appropriation Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the year ended 31 July 2020, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ministry in accordance with the International Ethics Standard Commission for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Management's Responsibilities for the Financial Statements

The management of the Ministry of Commerce, Trade, Tourism and Transport are responsible for the preparation and fair presentation of these financial statements in accordance with the, Financial Management Act 2004, the Finance Instructions 2010, and the Finance (Amendment) Instructions 2016 and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

The management are responsible for overseeing Ministry's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Ministry regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Sairusi Dukuno

Sairusi Dukuno
ACTING AUDITOR-GENERAL

Suva, Fiji
05 May 2022



We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Commerce Trade Tourism and Transport for the year ended 31 July 2020; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, the Finance Instructions 2010 and the Finance (Amendment) Instruction 2016.



Mr Shaheen Ali



Mrs Joy Khan

Permanent Secretary for MCTTT

Date: 28/4/2022

Head of Finance for MCTTT

Date: 28/4/22

	Notes	2020	2019
REVENUE			
State Revenue			
Fees		910,780	684,143
Commission		1,255	1,433
Interest Consumer Co-operatives		1,149	948
Global Fund	3(a)	5,000	9,261
Total State Revenue	3(b)	918,184	695,785
Agency Revenue			
Miscellaneous Revenue		1,775,090	291,125
Total Agency Revenue	3(c)	1,775,090	291,125
TOTAL REVENUE		2,693,274	986,910
EXPENDITURE			
Operating Expenditure			
Established Staff		3,735,898	3,062,508
Government Wage Earner		386,883	433,806
Travel & Operations		251,334	254,992
Purchase Of Goods & Services		575,419	664,861
Operating Grant & Transfers	3(d)	210,349	232,608
Special Expenditure	3(e)	13,429,550	19,266,963
Total Operating Expenditure		5,833,281	8,564,551
24,442,714		32,480,289	
CAPITAL EXPENDTURE			
Capital Construction	3(f)	206,628	
Capital Purchase		9,248	166,004
Capital Grants & Transfers	3(g)	25,682,270	42,343,886
Total Captial Expenditure		25,898,146	42,508,890
Value Added Tax		184,995	313,575
TOTAL EXPENDTURE		50,505,854	75,302,754

MINISTRY OF INDUSTRY, TRADE AND TOURISM
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

SEG	Item	Budget Estimate	Appropriation Changes	Revised Estimate	Actual Expenditure	Lapsed Appropriation
		(\$)	(\$)	(\$) a	(\$) b	(\$) a-b (Note 4)
1	Established Staff	4,169,439	(45,700)	4,123,739	3,735,898	387,841
2	Government Wage Earner	409,659	45,700	455,359	386,883	68,476
3	Travel & Communication	386,019	(51,671)	334,348	251,334	83,014
4	Maintenance and Operations	597,171	642	597,813	575,419	22,394
5	Purchase of Goods and Services	250,497	48,825	299,322	210,349	88,974
6	Operating Grant and Transfers	13,724,405	209,224	13,933,629	13,429,550	504,079
7	Special Expenditure	6,432,266	(216,268)	6,215,998	65,833,281	382,717
Total Operating Expenditure		25,969,456	(9,248)	25,960,208	24,422,713	1,537,495
Capital Expenditure						
8	Capital Construction	250,000	-	250,000	206,628	43,372
9	Capital Purchase	-	9,248	9,248	9,248	0
10	Grants and Transfers	30,906,067	-	30,906,067	25,682,270	5,223,797
Total Capital Expenditure		31,156,067	9,248	31,165,315	25,898,146	5,267,169
13	Value Added Tax	712,500	-	712,500	284,995	527,506
TOTAL CAPITAL EXPENDITURE		57,838,023	-	57,838,023	50,505,854	7,332,169

Wirement No.	From	To	Amount (\$)
V34001	SEG 1	SEG 1	2,000
V34002	SEG 1	SEG 1	4,000

The Permanent Secretary for Ministry of Economy approved the following virement of funds during 2019 - 2020 Financial year.

DETAILS OF APPROPRIATION CHANGES

MINISTRY OF INDUSTRY, TRADE AND TOURISM
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

DETAILS OF APPROPRIATION CHANGES

The Permanent Secretary for Ministry of Commerce, Trade, Tourism and Transport approved the following virement under delegation from the Minister of Economy.

Virement No.	From	To	Amount (\$)
DV3406	SEG 7	SEG 5	94,00
	SEG 7	SEG 7	326,018
	SEG 3	SEG 9	9,248
	SEG 3	SEG 3	1,287
	SEG 3	SEG 4	5,642
	SEG 3	SEG 5	3,363
	SEG 3	SEG 7	32,418
DV3407	SEG 7	SEG 7	43,204
	SEG 7	SEG 6	1
DV3408	SEG 4	SEG 7	20,000
	SEG 13	SEG 13	1,800
	SEG 7	SEG 7	7,000
DV3409	SEG 7	SEG 4	10,000
DV3410	SEG 5	SEG 4	4,000
	SEG 3	SEG 4	1,000
	SEG 5	SEG 6	33,223
	SEG 7	SEG 6	176,000
	SEG 5	SEG 7	8,000
DV3411	SEG 5	SEG 7	4,000
	SEG 7	SEG 7	100,000
			\$880,889

Date	Ministry	Serial #	Virement From	Virement To	Amount (\$)	MOE	Remarks #
06/04/20		1-34201-91011-030101	9,248	1-34101-34101-070206	326,018	3,054	1-34101-34101-040301
		1-34101-34101-040361	1,287	1-34101-34101-070206	21,418	1,195	1-34201-34101-040216
		1-34101-34101-050829	2,362	1-34201-34101-040203	1,139	1,100	1-34101-34101-070999
		1-34201-34101-050699	1,001	1-34201-34101-071332	43,203	1	1-34201-34101-071341
11/05/20	07/2019-20	1-34202-34201-071332	43,205	1-34501-31999-060630	1	DV3407	1-34501-31999-079942
		1-34201-34201-079942	1	1-34201-34201-071332	43,203	DV3407	1-34201-34101-071341
29/05/20	07/2019-20	1-34301-91011-040333	20,000	1-34101-34101-070206	20,000	DV3408	1-34301-91011-040301
		1-34301-91011-040361	1,800	1-34101-34999-130101	1,800	DV3408	1-34201-34201-070106
10/06/20	10/2019-20	1-34301-91011-079912	10,000	1-34301-91011-040333	10,000	DV3409	1-34301-91011-040301
		1-34301-91011-040361	1,000	1-34401-80101-040216	1,000	DV3409	1-34401-80101-050411
24/06/20	11/2019-20	1-34101-34101-050151	30,000	1-34201-34201-071306	25,000	DV3410	1-34101-34101-070206
		1-34101-34101-050699	3,000	1-34201-34201-071306	20,000	DV3410	1-34101-34101-050412
23/07/20	13/2019-20	1-34101-34101-050412	4,000	1-34101-34101-070206	4,000	DV3411	1-34201-34201-070222
		1-34101-34101-050801	2,000	1-34501-31999-060444	9,223	DV3411	1-34601-34601-070407
		1-34601-34601-050801	4,000	1-34501-31999-070116	8,000	DV3411	1-34101-34101-050699
		1-34601-34601-070222	50,000	1-34201-34201-071329	100,000	DV3411	1-34201-34201-071332
TOTAL	13/2019-20	1-34201-34201-070222	880,889		880,889		

DETAILS OF APPROPRIATION

CHANGES

Office	Amount (\$)	Total
Fiji Trade Commission - North America	1,942.17	
Fiji Trade Commission - Australia	1,342.74	
Finance Unit	500.00	
Human Resources Unit	1,390.50	
DNTMS - Labasa	799.00	
DNTMS - Lautoka	3,572.50	
Dept. Co-operatives - Lami	3,208.50	
Dept Co-operatives - HQ	800.00	
Dept Co-operatives - Labasa	1,020.00	
Dept Co-operatives - Savusavu	262.00	
Dept Co-operatives - Lautoka	653.50	
Tourism - IVS Nadi	2,950.00	
IHRDP - Central/Eastern	2,200.00	
NCS,ED - Suva	4,860.00	
NCS,ED - Rakiraki	557.00	
NDP - North	12,642.00	
	140,349.60	

The Board of Survey was conducted by Ministry of Commerce, Trade, Tourism and Transport and the following items worth \$140,349.60 were recommended for write-off and approved by Permanent Secretary for Ministry of Economy for the year ended 31 July 2020.

LOSSES OF ASSETS (OTHER THAN MONEY)

The was no loss of money recorded for the year ended 31 July 2020.

LOSSES OF REVENUE

The was no loss of money recorded for the year ended 31 July 2020.

LOSSES OF MONEY

MINISTRY OF INDUSTRY, TRADE AND TOURISM
 CO-OPERATIVE TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS
 FOR THE YEAR ENDED 31 JULY 2020

	2020 \$	2019 \$
RECEIPTS		
Co-operative Training Institute		
Training Fees	7,700	14,910
Interest Received	1,361	1,175
	9,061	16,085
National Co-operative Federation		
Sales - Stationery	613	793
	613	793
	9,674	16,878
RECEIPTS		
Co-operative Training Institute		
Bank Charges	212	227
Stationery	2,260	-
Interest Paid to Revenue	1,149	948
	3,621	1,175
National Co-operative Federation		
Stationery	-	-
FRCS	869	1,559
	869	1,559
Total Payments	4,490	2,734
Net Surplus	5,184	14,144
Balance as at 1 August 2019	108,732	94,588
Closing Balance as at 31 July 2020	113,916	108,732

MINISTRY OF INDUSTRY, TRADE AND TOURISM
 INTEGRATED HUMAN RESOURCE DEVELOPMENT PROGRAMME TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 JULY 2020

	Note	2020 \$	2019 \$
RECEIPTS			
Community Contributions		–	–
Interest Received		–	–
Total Receipts		–	–
PAYMENTS			
Bank Charges		73	70
Concrete - Cautata Village Bakery		–	6,649
Merchandise - Matainasau Bakery		–	1,344
Gas Oven & Spiral Mixer - Lawaki Bakery		–	12,051
Total Payments		73	20,114
Net Deficit		(73)	(20,114)
Balance as at 1 August 2019		89,089	109,203
Closing Balance as at 31 July 2020	5(b)	89,016	89,089

NOTE 1: REPORTING ENTITY

The Ministry of Commerce, Trade, Tourism and Transport formulates and implements policies and strategies to facilitate growth in industry, investment, trade, tourism, co-operative businesses, transport, micro, small and medium enterprises, and enhance metrology, standards and consumer protection. These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Tourism Unit, Department of National Trade Measurement and Standards, Department of Co-operative Business, MSME Fiji, Transport Unit and Government Shipping Services and Corporate Services Division, within the Ministry, including Trade Commissions in New Zealand, North America, China, and Australia. The Ministry is supported by seven (7) statutory organizations namely Consumer Council of Fiji, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensening Board, Land Transport Authority and Maritime Safety Authority of Fiji. The Department of Transport was transferred from the Ministry of Infrastructure and Transport to Ministry of Industry, Trade and Tourism as per Legal notice number 49 OF 2020. The transitions was effective on 17 April 2020 as per date of legal notice. The Ministry name changed from Ministry of Industry, Trade and Tourism to Ministry of Commerce, Trade, Tourism and Transport. Trade Commission Papua New Guinea was officially relocated to Fiji according to the cabinet decision 8 of 2020 and agreed the Table Commission be expended to cover the rest of the Pacific Islands. According to the Repeal Act No. 22 of 2019 which was passed on the 21 day of June 2019 by Parliament and commenced on 10 December 2019, National Centre for Small and Medium Enterprise Development merged with the Ministry with all the employees, assets and funds. NCSMED is allocated under MSME Fiji Unit and employees are redeployed to appropriate teams to work towards one common goal for the Ministry.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES A) BASIS OF ACCOUNTING

Trade, Tourism and Transport is prepared on cash basis of accounting. All payments related to purchase of fixed assets have been expensed. In accordance with Government accounting policies, the financial statement of the Ministry of Commerce, of Section 71(1) of the Finance Instruction 2010 and the Finance (Amendments) Instruction 2016. The financial statements are presented in accordance with the Financial Management Act and the requirement preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

B) ACCOUNTING FOR VALUE ADDED TAX(VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed payments made to the suppliers and sub-contractors for expenses incurred. The VAT payment as per the Statement of Revenue and Expenditure relates to the VAT input claimed on payments made to suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Services. Actual amount paid to Fiji Revenue and Customs Services during the year represents the difference between VAT output and VAT input.

C) COMPARATIVE FIGURES

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

D) REVENUE RECOGNITION

The major source of revenue for the Ministry is fees collected by the National Trade Measurements Standards-assessments. Revenue is recognized when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

- a)** Global Fund amount consist of \$5,000 received from Fiji Development Bank (FDB) for providing sponsorship towards the Prime Ministers National Youth Awards which was supposed to be held on 9 May, 2020. Due to the COVID-19 pandemic and growing importance of adhering to social distancing principles to help to the COVID-19 pandemic and growing importance of adhering to social distancing principles to help announced the deferment of the Prime Ministers National Youth Awards.
- b)** The total State Revenue increased by \$222,399 or 24% in 2019-2020 compared to 2018-2019. The main contributor for the increase in revenue is the fees and charges collected by the Department of National Trade Measurements and Standards.
- c)** Total Agency Revenue increased by \$1,483,965 or 84% in 2019-2020 compared to 2018-2019 due to refund and refund of Fiji National University levy funds for 2018. The rest of the funds are miscellaneous fees collected from Fiji Development Bank for Micro, Small Business Grant (MSBG) grant funds for 2018-2019 financial year by Trade Commission Australia to facilitate Immigration and BDM services.
- d)** The Operating Grants and Transfers Expenditure decreased by \$5,837,413 or 43% in 2019-2020, since budget line

item for Fijian Competition & Consumer Commission (\$3,791,397) was removed and shifted to Head 13 - Independent Commission. Also partial grant was released to Real Estate Agents Licensing Board (REALB) as the agency has sufficient savings in Quarter 3 and 4 and the budget for Tourism Fiji operating grant was reduced by \$2,000,000.

- e)** The Special Expenditure decreased by \$2,731,270 or 47% in 2019-2020, due to removal of budget line item such as Consultation Workshop, PACER plus Meeting, MSG Investment Roadshow and Trade Fair, Trade Mission and Official Meeting and Upgrade of Co-operative College, Fijian Host, Fiji Tourism and Resource Owners Conference. And the budget for National Export Strategy was decreased by \$1,500,000. Also due to COVID-19 pandemic, the Government announced a COVID-19 response budget which resulted in decrease of the budget for following budget line items such as Building & Approval Committee, Consulate General/Trade Commission Australia, Trade Commission PNG, Fiji China Trade Agreement Negotiation Meeting, Trade Policy Framework, Fijian Made Buy Fijian Campaign, New Zealand Trade Office Support, Skilled Professional Evaluation Committee, Ministerial Trade Delegation, Contribution to World Trade Organisation, Quality Control Enforcement, Trading Standards, National Cooperative Federation, Tourism Events, Tourism Research, Survey Expenses, Hotel Data Collection System and Implementation of Tourism Development Plan.
- f)** The Capital Construction Expenditure increased by \$206,628 or 100% in 2019-2020, as the budget for Standardized Roadside Stall was provided in Capital Construction (SEG 8) in 2019-2020 financial year compared to last financial year it was provided in Capital Grants & Transfers (SEG 10).
- g)** The Capital Grants and Transfer Expenditure decreased by the \$16,660,616 or 65% in 2019-2020 as the Hosting of Super Rugby Game and MSME Central Coordinating Agency budget were removed. The fourth Development Programme and Micro Small Business Grant quarter marketing grant was not released to Tourism Fiji as they have sufficient savings. Also, budget was decreased for 2019-2020 financial year for Special Economic Zone, Young Entrepreneurship Scheme, Northern

NOTE 4: APPROPRIATION STATEMENT - DETAILS OF SIGNAFICANT SAVINGS

SEG	Item	Revised Estimate	Actual Expenditure	Lapsed Appropriation		Remarks
				(\$)	(%)	
1	Established Staff	4,123,739	3,735,898	387,841	9	
2	Government Wage Earner	455,359	386,883		68,476	The savings was due to staff movement and 15 vacant positions
3	Travel & Communication	334,348	251,334	83,014	25	The savings was due to controls implemented to reduce expenditure for meal allowance, subsistence allowance and travel cost.
4	Maintenance and Operations	597,813	575,419	22,349	4	The savings was due to controls imposed to reduce paper utilization, IT consumables, office equipment and use of energy.
5	Purchase of Goods and Services	299,322	210,349	88,974	30	The savings was due to controls implemented to reduce expenditure.
6	Operating Grant & Transfers	13,933,629	13,429,550	504,079	4	The savings was due to the on-release of grant to REALB (\$123,231) as they had sufficient savings to cater for their operations. Also due to merger of NCSMED with Ministry there was less expenditure noted in NCSMED vote.
7	Special Expenditure	6,215,998	5,833,281	382,717	6	The major contributors of savings in SEG 7 are Doing Business Reform, Preparatory Works - World Expo, Trade Commission Australia and PNG, Trading Standard, Due to COVID-19 most of the activities did not take place due to travel due to travel restrictions, social gathering and distancing laws. Also closure of TC PNG office resulted in the savings.
8	Capital Construction	250,000	206,628	43,372	17	Initially pre-COVID budget was \$500k and RIE was submitted for construction of 24 roadshow stalls, however MOE only approved for 11 stalls with a cost of \$206,628. The savings resulted due to non-construction of full 24 stalls.
9	Grants & Transfers	30,906,067	25,682,270	5,223,797	17	The saving was due to non-release of the 4th quarter marketing grant (\$4,614,738) to Tourism Fiji as the agency had sufficient savings and due to COVID-19 there were very less activities to be conducted. Also savings were noted in SEZ, NDP, RISE and IHRDP programme which had less activities due to COVID-19.

NOTE 5: TRUST FUND ACCOUNTS **A) CO-OPERATIVE TRUST FUND ACCOUNT**

The Trust Fund Account was established to administer the training services delivered to Co-operative memthe receipts consist of fees charged to trainees and payment relates to the operation of the training institutes.

As at 31 July 2020, there were funds amounting to \$113,916 in the Co-operative Trust Account.

B) INTEGRATED HUMAN RESOURCE DEVELOPMENT PROGRAM (IHRDP) TRUST FUND ACCOUNT

The Integrated Human Resources Development Programme is established pursuant to section 66 of the National Employment Centre Act 2009 (Act), as a designated self-employment service under the Act. The Programme was designed to address unemployment and improve livelihood of semi-urban and rural communities in a holistic and integrated approach for all relevant stakeholders. This is achieved through the provision of quality business skills training and advice for unemployed persons and retirees to

facilitate their active participation in the formal, informal and rural employment markets through creation and sustaining of their own small or micro-enterprises or other forms of self-employment.

The primary objective of the Programme is to:

- Facilitate an enabling environment for business investment through economic and employment in communities and settlement;
- Create jobs through direct interventions in the informal and semi-formal sectors particularly in the peri-urban, rural and remote areas, and
- Make jobs sustainable through skills development and encouraging self-employment.

The Trust Account shall have contribution from the following sources:

- Fijian Government grants;
- Cash contribution from projects recipients of not more than 25% of the projects costs, to support operational and equipment cost for the project;
- Monies held on behalf of the project recipients under the Trust Account; and
- Development partners, donor agencies and government ministries who wish to support IHRDP projects.

In particular the Trust account shall meet the following approved expenditure items: Purchases of equipment for projects; Purchases of other project related items;

- Purchases of equipment for projects;
- Purchases of other project related items;
- Payment of project operational expenses;
- Purchases of materials needed for improvements of project;
- Payment of wages for project workers;
- Payment for project related expenses and
- Payment for bank fees.

As at 31 July 2020, the amount of \$89,016.33 was in the IHRDP Trust Bank Account. The banks fee and charges are catered from the funds that are available in the account.

MINISTRY OF INDUSTRY, TRADE AND TOURISM
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

SUMMARY OF FUNDS IN TRUST ACCOUNT - CLAIMANTS LIST

Projects	Amount (\$)
Viria/Muaniweni	16,264.00
Viria/Waimaro	11,047.50
Nasautoka Eco Tourism	5,000.00
Matainasau Bakery	99.49
Nawaqabena	6,934.82
Lawaki Bakery Project	12,087.32
Waimalua Ginger Farmers	(2.00)
Gusuisavu Bakery	49.30
Dakuivuna	2,400.00
Silana Eco Tourism	5,000.00
Cautata Bakery	546.39
Koronivia Vegatable Farmers Cooperative	4,000.00
ROI (Seaweed)	9,452.61
Naicabecabe Sewing Project	5,000.00
Vitogo Bee Keeping Project	10,405.80
Tosovata Womens Club	1,200.00
Total	89,485.23
Less Bank Charges	468.90
Total Available in Bank Account	89,016.33

NOTES

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