



STANDING COMMITTEE ON ECONOMIC AFFAIRS

Review Report of the Energy Fiji Limited Annual Report 2025



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Table of Acronyms

Acronym	Meaning
BESS	Battery Energy Storage System
DoE	Department of Energy
EFL	Energy Fiji Limited
FCCC	Fijian Competition and Consumer Commission
FREF	Fiji Rural Electrification Fund
IPP	Independent Power Producer
kV	Kilovolt
MW	Megawatt
MWh	Megawatt-hour
NDP	National Development Plan
PV	Photovoltaic
SDG	Sustainable Development Goal

Chairperson's Foreword

On behalf of the Standing Committee on Economic Affairs, I am pleased to present the Committee's Review Report on the Energy Fiji Limited (EFL) Annual Report 2025, together with the Committee's Inquiry Report on Rural Electrification in Fiji.

Energy Fiji Limited (EFL) is an important state-owned enterprise and the nation's principal electricity provider. EFL plays a critical role in supporting economic activity, business confidence, household wellbeing and national development by providing affordable, reliable and accessible electricity services. The Committee recognises EFL's responsibility to maintain a reliable supply, safeguard financial sustainability and advance Fiji's transition towards cleaner and more resilient energy sources.

The Committee notes several positive developments during the year under review. EFL recorded a significant improvement in profitability, with profit after tax increasing from \$7.17 million in 2024 to \$22 million in 2025. Electricity sales revenue also increased from \$421.22 million to \$430.66 million. This growth was accompanied by an expansion in the customer base, which rose from 223,539 in 2024 to 227,607 in 2025, including 5,254 new connections. National electricity demand also increased by 2.28 percent, reaching 1.114 billion units during the year.

To meet increasing demand and to strengthen energy security, EFL invested approximately \$162 million in major infrastructure initiatives, including the Virara–Koronubu 132kV Transmission Project in Ba and the development of the 20MW Kinoya and 30MW Vuda Thermal Power Stations.

The Committee also notes the successful commissioning of the \$6.7 million, 1MW Mua Solar Photovoltaic Farm with Battery Energy Storage System (BESS) in Taveuni. This is a significant milestone, making Taveuni the first island in Fiji with the capability to achieve 100 percent renewable and clean energy supply. As Fiji's first grid-connected solar facility integrated with battery storage, the project represents an important step towards strengthening energy security, reducing reliance on diesel generation, lowering emissions and supporting Fiji's target of achieving at least 90 percent renewable electricity generation by 2035.

Notwithstanding these positive developments, significant challenges remain in Fiji's transition to a more sustainable and resilient energy sector. In 2025, 56.19 percent of total electricity generation came from renewable sources, while 43.81 percent came from non-renewable sources. Hydropower remained the dominant renewable source, contributing 615,491 MWh or 49.31 percent of total generation, while Independent Power Producers contributed 84,734 MWh or 6.79 percent. Wind and solar together contributed only 1,086 MWh or 0.09 percent, highlighting the need to accelerate investment in renewable energy diversification.

Fuel costs remained a major burden for EFL, amounting to \$206.91 million, or 49.2 percent of total operating expenditure. With a 10 percent increase in global fuel prices estimated to add

around \$20.4 million to annual costs, Fiji remains highly exposed to international fuel-price volatility, highlighting the need to accelerate investment in renewable energy and strengthen energy security.

The Committee also identified a need for greater transparency regarding customer security deposits. EFL reported customer security deposits of approximately **FJ\$54.7 million in 2025**; however, the information provided did not clearly state the interest rates applied, total interest earned or benefits returned to consumers. Given the substantial value of these funds, greater disclosure is necessary to allow consumers and Parliament to assess how the deposits are managed.

As Fiji's sole electricity provider, EFL has a heightened responsibility to provide accessible and responsive customer service. Consumers continue to experience difficulties obtaining timely assistance outside normal business hours, including weekends and public holidays. The Committee considers that appropriate customer support and emergency response arrangements should be available, particularly when electricity interruptions affect households, businesses and critical public infrastructure.

The Committee noted that EFL's current and previous Annual Reports provide limited information on the implementation and progress of rural electrification programmes. Given the significant public funding allocated to rural electrification through the national budget, the Committee considered it necessary to conduct a dedicated Inquiry. The findings are presented in Part B of this Report.

Between 24 August and 8 September 2026, the Committee visited communities and project sites in the Central, Northern and Western Divisions to assess progress and hear directly from beneficiaries. Through site visits, stakeholder consultations and discussions with communities, the Committee found that several approved projects remain outstanding, leaving communities without electricity despite funding and, in some cases, payments being made to EFL.

Beneficiaries expressed frustration over prolonged delays, inadequate communication from EFL and the Department of Energy, uncertainty over completion dates and limited progress despite repeated follow-ups. Contractors also advised the Committee that delayed mobilisation payments, unresolved land-access and road-reserve issues, and lengthy approval processes had affected project delivery.

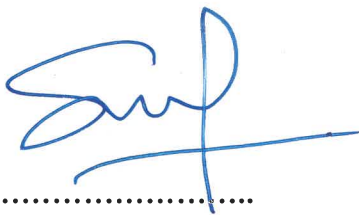
These findings highlight weaknesses in project management, inter-agency coordination involving Roko Tui, District Officers, Provincial Administrators and community representatives, as well as oversight and accountability. While significant public funds continue to be invested in expanding electricity access, greater focus is needed to ensure these investments deliver timely, efficient and measurable outcomes for communities awaiting electricity services.

The findings and recommendations in this Report are intended to strengthen the performance, transparency and accountability of EFL.

On behalf of the Committee, I acknowledge and thank EFL, the Department of Energy, stakeholders, community representatives and all those who contributed to the review and Inquiry work of the Committee.

I also acknowledge the valuable contribution of my fellow Committee Members Hon. Premila Kumar, Hon. Semi Koroilavesau, Hon. Alipate Tuicolo, Hon. Kalaveti Ravu together with the Committee Secretariat, whose support contributed to the preparation of this Report.

On behalf of the Standing Committee on Economic Affairs, I present this Review Report to Parliament and commend its findings and recommendations for the consideration of Honourable Members.



.....
Hon. Sakiusa Tubuna
Chairperson

1.0 Committee Membership

Pursuant to Standing Order 109(2)(a) the Standing Committee on Economic Affairs is mandated to look into matters related to economic development, finance, banking and taxation. The members of the Standing Committee on Economic Affairs and are as follows:



Hon. Sakiusa Tubuna
Chairperson



Hon. Premila Kumar
Deputy Chairperson



Hon. Semi Koroilavesau
Member



Hon. Alipate Tuicolo
Member



Hon. Kalaveti Ravu
Member

1.1 Committee Secretariat

The Committee is supported by a team of Parliament Officers serving as the Committee Secretariat. These officers are appointed and delegated by the Secretary-General to Parliament under Standing Order 15(3)(i). The Secretariat team consists of the following Parliament officers:

- Ms. Awantika Raj – Acting - Senior Committee Clerk
- Mrs. Katie Batikawai – Acting - Deputy Committee Clerk

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PART A Review of the Energy Fiji Limited Annual Report 2025

A2.0 Introduction

The Standing Committee on Economic Affairs (“the Committee”) was referred the Energy Fiji Limited Annual Report 2025 on Friday, 17 July 2026, pursuant to Standing Order 38(2) of the Standing Orders of the Parliament of Fiji. In accordance with its mandate, the Committee undertook a detailed examination of the Annual Report and now presents its findings and observations to Parliament.

A2.1 Procedure and Programme

The Committee commenced its review of the Annual Report in August 2026. The Committee agreed the review programme by consensus and conducted a structured examination of the Report. Before the formal proceedings, Committee Members reviewed the Annual Report, identified key issues, and considered areas requiring clarification. These deliberations informed the questions put to EFL and the issues examined during the Committee’s consideration of the Report.

A2.2 Oral Evidence Received

The Committee received a briefing and public submission from EFL on 25th September 2026.

A2.3 Written Evidence Received

A written submission was received from EFL in response to the questions issued by the Committee.

A2.4 Site Visits and Stakeholder Consultations

The Committee conducted site visits from **24 August to 8 September 2026** to obtain firsthand insights into the challenges, concerns, and opportunities within the energy sector.

Date	Site / Visit	Location
24 Aug 2026	EFL Site Visit — New 20MW Kinoya Power Station	Kinoya, Suva
25 Aug 2026	EFL Beneficiary Meeting & Butoni Wind Farm	Lawai Village, Sigatoka
25 Aug 2026	EFL Google Landing Site	Natadola
25 Aug 2026	Rural Electrification Project (NA03-24)	Jayant Road / Malolo Transmitter Road, Nadi
26 Aug 2026	Briefing — Department of Energy & EFL, Rural Electrification	Western Division
26 Aug 2026	EFL Nagado Hydropower Station	Nagado, Nadi
26 Aug 2026	Rural Electrification Project (LU02-13)	Abaca Village, Lautoka
27 Aug 2026	Rural Electrification Project	Navuso Settlement, Sabeto, Nadi
28 Aug 2026	Rural Electrification Project (BA03-19)	Tabataba, Ba
28 Aug 2026	Rural Electrification Project (BA11-18)	Vatusui Settlement, Ba
29 Aug 2026	Rural Electrification Project (RA02-18)	Lau Settlement, Nalawa, Ra

Date	Site / Visit	Location
31 Aug 2026	Rural Electrification Project (TAVE01-25)	Bouma to Lavena Village, Taveuni
31 Aug 2026	EFL Mua Solar PV Power Station	Taveuni
31 Aug 2026	Rural Electrification Project (TAVE02-17)	Drekeniwai & Burotu Settlements, Taveuni
31 Aug 2026	EFL Taveuni Hydropower Station	Taveuni
1 Sep 2026	Rural Electrification Projects (SA01-26, SA02-26, SA09-23)	Korolevu, Drano, Bucalevu & Navakaka Villages, Savusavu
2 Sep 2026	Rural Electrification Projects (SA01-18, SA07-18)	Vunidawamoli, Natuvu, Natua & Waisali Villages, Savusavu
3 Sep 2026	Rural Electrification Project (LAB14-15)	Naua, Drawa & Lutukina Settlements, Labasa
3 Sep 2026	EFL Proposed Seaqqa Solar Development Site	Korovuli, Seaqqa
3 Sep 2026	Rural Electrification Project (LAB36-18)	Dradramea & Korolevu Settlements, Seaqqa
4 Sep 2026	Rural Electrification Project (LAB17-18)	Navakuru & Suweni Settlements, Labasa
8 Sep 2026	Rural Electrification Project	Naulu Settlement, Nakasi

Date	Site / Visit	Location
8 Sep 2026	Rural Electrification Project	Laqere Settlement, Kalabu

A3.0 Background

Energy Fiji Limited (EFL), formerly the Fiji Electricity Authority (FEA), is Fiji’s national electricity utility and is responsible for generating, transmitting, distributing, and selling electricity throughout the country. EFL was corporatised on 16 April 2018 and operates as a public company limited by shares. The Government, FNPF and domestic consumers retain a controlling interest of 51 percent, and Sevens Pacific Pte Ltd holds 44 percent shares.

EFL’s primary mandate is to provide safe, reliable, efficient and affordable electricity services to households, businesses and industries across Fiji, while supporting national economic development and energy security. EFL supplies electricity through four principal grids in Viti Levu, Vanua Levu, Taveuni and Ovalau. EFL also undertakes certain regulatory functions, including electrical inspections, licensing and compliance, under an agreement with the Fijian Competition and Consumer Commission (FCCC), which serves as the electricity regulator under the Electricity Act 2017.

A4.0 Summary of EFL Annual Reports 2025 Performance and Achievements

Financial Performance

EFL recorded a profit after tax of \$22 million in 2025 and increased total assets to approximately \$1.69 billion, reflecting continued investment in strategic infrastructure and an improved financial position during the year.

Customer Growth and Electricity Supply

EFL supplied electricity to 227,607 customers nationwide and generated approximately 1.25 million MWh of electricity, reflecting continued demand from households and the wider economy.

Infrastructure Investment

EFL advanced major infrastructure projects, including the Kinoya and Vuda Power Stations and transmission-network upgrades, aimed at strengthening generation capacity, system reliability and the resilience of electricity supply.

Renewable Energy Development

EFL continued to advance Fiji's renewable-energy transition through investment in hydropower, solar generation and supporting grid infrastructure. In 2025, renewable sources accounted for 56.19 percent of total electricity generation, comprising 49.31 percent from hydropower, 6.79 percent from renewable Independent Power Producers, and 0.09 percent from wind and solar combined. The 1MW Mua Solar Farm in Taveuni generated 0.364 million units of electricity, contributing 8.3 percent of Taveuni's electricity supply and supporting Fiji's target of 90 percent renewable electricity generation by 2035.

Rural Electrification

EFL continued to expand electricity access through rural electrification and grid-extension programmes in underserved communities. In 2025, EFL allocated \$2.22 million to rural extension projects, providing electricity access to 842 customers in rural villages and settlements. However, the Committee notes that EFL did not fully achieve its rural electrification targets during the reporting period, highlighting the need for timely implementation and completion, as examined in Part B of this Report.

Network Reliability and Energy Security

EFL continued to invest in network infrastructure, generation capacity and system upgrades to improve reliability, resilience and national energy security. Key investments in 2025 included the ongoing construction of the 132kV transmission network from Virara to Koronubu in Ba, comprising a 30-kilometre transmission line, a 132kV switching station at Virara and a 132kV/33kV substation at Koronubu. The project is intended to strengthen the national grid and support future renewable-energy development. Upgrades to the Rarawai Substation in Ba also progressed during the year and are expected to improve the reliability and security of supply in the Ba area.

A5.0 Committee Findings

The Committee undertook a detailed review of the EFL Annual Report 2025, including consideration of the evidence and submission provided by EFL. The following findings are presented for Parliament's consideration.

Finding A5.1: Capital Expenditure Underspensing Remains a Significant Concern

While EFL invested approximately \$162 million in capital expenditure during 2025, the Annual Report does not provide a comparison between approved and actual capital expenditure, nor does it explain the reasons for project delays and historical underspending previously identified by the Committee. Capital works in progress increased substantially, from \$359.0 million in 2024 to \$496.4 million in 2025, indicating that a significant number of projects remain incomplete and continue to roll over. The absence of clear reporting on project delivery, implementation timelines and expenditure variances limits Parliament's ability to assess whether approved investments are translating into completed infrastructure and improved services for consumers.

Finding A5.2: Rising Debt Levels Continue to Increase Financial Risk

EFL's total borrowings increased from \$225.06 million in 2024 to \$286.54 million in 2025 — an increase of \$61.48 million within a single financial year. While the Committee acknowledges that these borrowings support major infrastructure and renewable energy investments, the Annual Report does not provide a long-term debt management framework outlining debt-servicing arrangements, projected impacts on future tariffs, or measures to mitigate the financial risks of increasing leverage.

Finding A5.3: Limited Transparency on Customer Shareholder Benefits

While EFL reported that no dividends were declared in 2025, the Annual Report does not provide sufficient information on benefits accruing to customer shareholders under the 5 percent non-voting shareholder programme. Customer shareholders remain an important stakeholder group, yet details on dividend-entitlement methodology, participation rates and benefits remain limited.

A5.4: Continued Dependence on Thermal Generation and Imported Fuel

Fuel costs remained EFL's largest single operating expense at \$206.91 million in 2025, and thermal generation accounted for 43.81 percent of total electricity generation. The Committee notes that hydropower, the largest renewable contributor, represented 49.31 percent of total generation in 2025, a decline from 51.73 percent in 2024, even as total renewable generation (56.19 percent) remained above non-renewable generation for the year. While EFL has adopted renewable energy targets of 60 percent by 2029 and 90 percent by 2035, continued reliance on imported fuel exposes both EFL and consumers to global fuel-price volatility and supply disruption.

Finding A5.5: Lack of Detailed Reporting on Tariff-Funded Investments

EFL continues to pursue significant infrastructure investment and financing arrangements, including a syndicated banking facility of approximately \$550 million, yet the Annual Report does not clearly demonstrate how existing or proposed tariff arrangements are linked to specific infrastructure outcomes, project delivery targets, or consumer benefits. This limits transparency regarding how funds recovered from consumers are contributing to network improvements and service enhancements.

Finding A5.6: Rural Electrification Reporting Has Improved, but Project Outcomes Remain Unclear

The Annual Report does not report on project completion times, outstanding approved applications, implementation delays, or the number of communities still awaiting electrification despite Government funding allocations. Without such information, Parliament is unable to fully assess the effectiveness and timeliness of rural electrification delivery.

Finding A5.7: Transparency of Customer Security Deposits

EFL held approximately FJ\$54.66 million in customer security deposits as at 31 December 2025. While the Annual Report states that interest on these deposits is credited quarterly to customers' electricity accounts, it does not disclose the interest rates applied, the total interest earned, or the aggregate value returned to consumers during the reporting period. This limits transparency and makes it difficult for consumers and Parliament to assess the management and administration of customer-held funds.

Finding A5.8: Customer Service Accessibility

As Fiji's sole electricity provider, EFL occupies a monopoly position and therefore carries a heightened responsibility to ensure consumers have timely access to customer support and emergency assistance. Concerns continue to be raised regarding the accessibility and responsiveness of services during weekends, public holidays and after-hours periods. Given that electricity is an essential service relied upon by households, businesses and critical public infrastructure, the Committee considers that customer support arrangements should be consistently available and responsive outside normal business hours.

A6.0 Committee Recommendation

The Committee makes the following recommendations to strengthen EFL's performance, transparency and accountability to Parliament and the people of Fiji:

1. In future Annual Reports, EFL should include a comprehensive Capital Expenditure Performance Report detailing approved capital budgets, actual expenditure incurred, project completion rates, implementation delays, reasons for expenditure variances, and revised completion timelines for all major capital projects.
2. EFL should develop and publish a Long-Term Debt Management Strategy outlining projected borrowing requirements, debt-servicing obligations, financing sources, risk-mitigation measures, and the anticipated impact of debt on future electricity tariffs and financial sustainability.
3. EFL should provide enhanced disclosure on customer shareholder benefits, including the number of active customer shareholders, dividends declared and distributed, eligibility criteria, participation rates, and any other benefits made available to customer shareholders.
4. EFL should provide annual reporting against its renewable energy transition targets, including measurable milestones, project implementation progress, renewable generation increases achieved, and reductions in fuel dependency, to enable Parliament to monitor progress towards the 2035 renewable energy target.
5. Future Annual Reports should include a dedicated section linking tariff-funded investments to completed projects, network improvements, reliability outcomes, new customer connections, and measurable benefits delivered to electricity consumers.
6. EFL should include detailed reporting on rural electrification project performance, including approved applications, projects completed, projects outstanding with clear indication of projects at different stages, implementation timeframes, expenditure by region, and communities still awaiting connection under Government-funded programmes, area-wise.
7. Future Annual Reports should include detailed disclosure on customer security deposits, including the total value of deposits held, applicable interest rates, total interest earned, and the total amount credited or returned to consumers during the reporting period, to strengthen transparency, accountability and consumer confidence.
8. EFL should review and strengthen its customer service framework to ensure timely and accessible support during weekends, public holidays and after-hours periods, particularly for service disruptions, faults and emergency-related matters.

PART B Inquiry Report on Rural Electrification in Fiji

B1.0 Introduction to the Inquiry

Reliable and affordable electricity underpins nearly every measure of development — education, healthcare, household wellbeing, business activity and access to essential services. For rural, remote and maritime communities, connecting to the grid or to a solar home system is often the single change that opens up these opportunities. Rural electrification is therefore not simply an infrastructure programme; it is a direct lever for poverty reduction and social inclusion.

The Committee undertook this Inquiry to test whether the Government-funded Rural Electrification Programme is delivering on that promise. Specifically, the Inquiry set out to determine why electrification projects are taking so long to reach completion, and what is driving those delays. The work forms part of the Committee's ongoing oversight of public investment and the delivery of essential infrastructure and services.

The Committee observed that substantial public funding continues to be allocated to rural electrification, yet a number of communities remain without electricity after years of waiting. In some cases, funding had been approved, surveys completed and household wiring undertaken, but connections had not been energised. The Committee considers that these circumstances warrant closer examination to strengthen accountability, improve project delivery and ensure that communities receive the intended benefits of Government investment.

B1.1 Objectives of the Inquiry

The Inquiry was guided by six objectives:

- Examine how effectively the Rural Electrification Programme is being delivered;
- Assess progress made in extending electricity access to rural communities;
- Identify the factors causing project delays;
- Examine the roles and responsibilities of the agencies implementing the Programme;
- Assess contractor capacity and project management practices; and
- Develop recommendations to strengthen project delivery and accountability.

B1.2 Methodology

The Committee gathered evidence through four complementary methods, chosen to test the Programme from every vantage point — the communities waiting for power, the agencies responsible for delivering it, and the contractors doing the work on the ground:

- Site visits across the Western, Northern and Central Divisions, to see project status first-hand;
- Consultations with project beneficiaries and community representatives, to hear direct experience of delays and their impact;
- Meetings with contractors engaged on rural electrification projects, to understand implementation and cash-flow constraints; and
- Briefings from the Department of Energy and Energy Fiji Limited, to obtain the agencies' own account of programme status and constraints.

Drawing on this evidence, this Report examines eight areas: delays in project implementation; contractor capacity and management; coordination between agencies; communication with beneficiaries and communities; monitoring and oversight; accountability for delays; procurement and material-supply constraints; and the time elapsed between funding approval and project implementation.

B2.0 Roles and Responsibilities

B2.1 Department of Energy

The Department of Energy sits at the front end of the Programme. It is responsible for facilitating community applications, conducting consultations, processing approvals, prioritising projects and securing funding through Government budgetary processes. The Department is also responsible for programme oversight and monitoring of implementation.

B2.2 Energy Fiji Limited

EFL carries the delivery function: technical assessment, project costing, network design, procurement, contract administration, construction, commissioning and final connection. Since 2022, EFL has also been responsible for house-wiring works under Government-funded rural electrification schemes.

In 2025, EFL spent approximately \$2.22 million on rural extension projects, connecting 842 customers in rural villages and settlements.

B3.0 Site Visits and Stakeholder Consultation

Between 25 August and 21 September 2026, the Committee conducted 17 site visits and consultations across the Western, Northern and Central Divisions, engaging beneficiaries, community representatives, contractors and officials from the Department of Energy and EFL. A summary is set out in Table B1

Table B1: Stakeholder Consultation Summary

Date	Location	Stakeholders	Key Outcome	Attendees
25 Aug 2026	Jayant Road / Malolo Transmitter Road, Nadi	Beneficiaries	Delays exceeding four years; infrastructure constraints; self-funded connections by residents	7
26 Aug 2026	Briefing with DoE & EFL	DoE & EFL	50 projects valued at \$6.4 million under implementation; delays linked to procurement, funding and contractor constraints	5
26 Aug 2026	Abaca Village, Lautoka	Beneficiaries, Contractors, DoE & EFL	Major delays linked to land approvals, material shortages and contractor capacity	20
27 Aug 2026	Navuso Settlement, Sabeto	Beneficiaries	Lengthy delays between approval and implementation	15
28 Aug 2026	Tabataba, Ba	Community Representatives	Partially completed projects and poor agency coordination	1 councillor, 1 beneficiary
28 Aug 2026	Vatusui Settlement, Ba	Beneficiaries	House wiring complete but electricity supply remains unavailable	7

Date	Location	Stakeholders	Key Outcome	Attendees
29 Aug 2026	Lau Settlement, Rakiraki	Beneficiaries	Seven-year delay between application and approval	15
31 Aug 2026	Bouma to Lavena, Taveuni	Beneficiaries	Funding and solar system implementation delays	18
31 Aug 2026	Drekeniwai & Burotu Settlements	Beneficiaries	Material supply and contractor challenges	10
1 Sep 2026	Korolevu, Drano, Bucalevu & Waivula	Beneficiaries	Funding constraints and incomplete network infrastructure	17
2 Sep 2026	Vunidawamoli, Natuvu & Waisali	Beneficiaries	Delays between funding release and implementation	17
3 Sep 2026	Naua, Drawa & Lutukina	Beneficiaries	Weak monitoring and contractor shortages	10
3 Sep 2026	Dradramea & Korolevu	Beneficiaries	More than two decades awaiting electrification	16
4 Sep 2026	Navakuru & Suweni Settlements	Beneficiaries	Project nearing completion but quality-assurance concerns remain	20
8 Sep 2026	Naulu Settlement, Nakasi	Beneficiaries	Poor road access and inadequate drainage affecting service delivery	10

Date	Location	Stakeholders	Key Outcome	Attendees
8 Sep 2026	Laqere Settlement, Kalabu	Beneficiaries	Delays completing outstanding household connections carried over from the previous year	15
18 & 21 Sep 2026	Contractor Consultations	Contractors	Payment delays, mobilisation constraints, poor project sequencing and coordination challenges	3 companies

B4.0 Government Funding, Progress and Status of the Rural Electrification Programme

Rural electrification remains a national priority aimed at improving access to reliable, affordable and sustainable electricity services for rural, remote and maritime communities. The National Development Plan 2025–2029 targets an increase in rural electricity access from 86.7 percent to 93 percent by 2029 and ultimately seeks universal access.

Table B2: Budget Allocation for Rural Electrification Programmes (FY2022/23 – FY2026/27)

Financial Year	Grid Extension (EFL)	House Wiring	Solar Home Systems
2022/23	\$12.35 million	\$2.8 million	\$1.6 million
2023/24	\$4.1 million	\$2.5 million	\$2.3 million
2024/25	Nil	\$1.6 million	\$1.6 million
2025/26	Nil	\$1.3 million	\$2.5 million

Committee Observation

Government has continued to provide funding for house-wiring and Solar Home System programmes while no new Grid Extension funding has been allocated since FY2023/24 due to the completion of previously funded projects remaining under implementation.

Table B3: Budget Allocation for the Rural Electrification Programme (2021/22 – 2026/27)

Year	Grid Extension	House Wiring	Solar Home Systems
2021/22	\$2.6 million	\$1.2 million	–
2022/23	\$12.35 million	\$2.8 million	\$1.6 million

2023/24	\$4.1 million	\$2.5 million	\$2.3 million
2024/25	—	\$1.6 million	\$1.6 million
2025/26	—	\$1.3 million	\$2.5 million
2026/27	—	\$1.2 million	\$1.5 million
Total	\$19.05 million	\$10.6 million	\$9.5 million

Committee Observation

A total of **\$19.05 million** was allocated to EFL Grid Extension projects between FY2021/22 and FY2023/24. No new Grid Extension funding has been allocated since FY2024/25 as a number of previously funded projects remain under construction and are yet to be completed.

Table B5: Households Connected Through Rural Electrification Programmes

Year	Grid Extension Homes Connected	Solar Home Systems Installed
2021	1,197	658
2022	1,323	—
2023	890	365
2024	1,232	635 (+2,000 Chinese Grant)
2025	785	343
2026 (to June)	72	557
Total (Government-funded)	5,499	2,558
Chinese Government Grant	—	2,000
Grand Total	5,499	4,558

Committee Observation

From 2021 to June 2026, 5,499 households were connected through grid-extension programmes. Over the same period, 2,558 households benefited from Government-funded Solar Home Systems, and a further 2,000 systems were installed under the Chinese Government Grant Programme, bringing total Solar Home System beneficiaries to 4,558 households.

Table B6: Completed Grid Extension Projects (2021 – June 2026)

Year	Schemes Completed	Households Benefited
2021	28	1,197
2022	39	1,323
2023	34	890
2024	50	1,232
2025	55	785
2026	7	72
Total	213	5,499

Committee Observation

Notwithstanding implementation challenges, 213 rural electrification schemes were completed between 2021 and June 2026, benefiting approximately 5,499 households nationally.

Pending Rural Electrification Projects

Table B7: Government-Funded Grid Extension Projects Under Construction

Indicator	Status
Number of Pending Projects	24
Total Project Value	\$9.8 million
Expected Household Beneficiaries	883 households

Committee Observation

The remaining 24 Government-funded grid-extension projects, worth approximately \$9.8 million, were funded between 2018 and 2023 and are still being implemented. Their delays stem from COVID-19 disruption, landowner and wayleave issues, contractor constraints, redesign requirements and global supply-chain challenges

Table B8: Pending Grid Extension Applications, by Division

Division	Schemes	Households	Estimated Cost
Central	65	537	\$4.56 million
Western	91	769	\$7.40 million
Northern	28	773	\$76.59 million
Total	184	2,079	\$88.55 million

Table B9: Pending Solar Home System Applications, by Division

Division	Households Awaiting Assistance	Estimated Cost
Northern	3,862	\$15.0 million
Eastern	3,231	\$13.0 million
Central	696	\$3.0 million
Western	443	\$1.8 million
Total	8,232	\$32.8 million

Committee Observation

Substantial unmet demand remains for rural electrification. As of June 2026, 184 surveyed and costed grid-extension schemes were awaiting funding, valued at approximately \$88.6 million, while a further 8,232 households remained on the waiting list for Solar Home Systems, requiring approximately \$32.8 million. Most pending applications are concentrated in the Northern and Eastern Divisions.

Table B10: Government Grant Balance for Rural Electrification (\$'000)

Year	Grant Balance (\$'000)
2021	97,079
2022	100,322
2023	111,867
2024	115,208
2025	115,613

Future Rural Electrification Targets

- Completion of the Viti Levu Grid Network Closure Programme, estimated at approximately \$20 million over the next five years;
- Extension of the Taveuni Grid Network, estimated at approximately \$35 million;
- The proposed Dreketi–Nabouwalu Grid Extension Project, valued at approximately \$140 million;
- Expansion of renewable energy mini-grid projects under the Fiji Rural Electrification Fund (FREF); and
- Government's target of achieving 100 percent electricity access by 2029.

The Committee finds that, despite sustained Government investment in electricity-related programmes, a substantial backlog of rural electrification applications remains. As at June 2026, 184 grid-extension schemes valued at approximately \$88.6 million and 8,232 Solar Home System applications requiring approximately \$32.8 million remained unfunded. The Committee notes that implementation constraints continue to include land-access and wayleave issues, project redesigns, contractor capacity, procurement challenges and administrative approvals.

B5.0 The Committee's Findings from the Inquiry are set out below

Finding B5.1: Delays in the Delivery of Rural Electrification Projects

Significant delays continue to affect the implementation of rural electrification projects throughout Fiji. Evidence gathered during site inspections indicated that several projects approved between 2015 and 2018 have only recently progressed to implementation, while some communities have waited many years to receive electricity access despite approvals, completed assessments and, in some cases, completed house wiring.

Finding B5.2: Weaknesses in Project Management, Monitoring and Accountability

Implementation delays are frequently attributed to funding constraints, procurement delays, contractor resource limitations, escalating construction costs, adverse weather conditions and land-access requirements. While some factors are external, the Committee considers that stronger project management, risk mitigation and monitoring mechanisms are required to improve delivery and accountability.

Finding B5.3: Insufficient Coordination Among Stakeholders

The Committee observed shortcomings in coordination and communication between the Department of Energy, EFL, contractors, local authorities and beneficiaries. Greater involvement of Roko Tui, District Officers, Provincial Administrators and community representatives would

strengthen project oversight, improve communication with beneficiaries, and assist in the early identification and resolution of implementation challenges.

Finding B5.4: Contractor Payment and Mobilisation Challenges

Contractors raised concerns regarding delays in payment processing, lengthy approval procedures, and the absence of mobilisation funding. Project works are often financed upfront, creating cash-flow constraints that affect contractors' capacity to mobilise resources and retain labour, contributing to project delays.

Finding B5.5: Poor Coordination and Sequencing of Electrification Activities

The delays in the delivery of electrification projects frequently arise from poor coordination and sequencing of project activities. Evidence received indicated that house-wiring works are often completed before the necessary power-line infrastructure, transformer installations, and network connections are finalised, leaving beneficiaries unable to access electricity for extended periods despite meeting all house-wiring requirements. The lack of synchronisation between house wiring, network construction, and final commissioning reduces programme effectiveness and delays the intended benefits of electrification. Improved planning and coordination among all parties involved are required to ensure that infrastructure development, household connections, and energisation activities are completed in a timely and integrated manner.

Finding B5.6: Growing Demand and Electrification Backlog

With 8,232 households currently awaiting Solar Home System assistance and other electrification services, demand continues to exceed current delivery capacity. The existing backlog highlights the need for a long-term strategy to address outstanding applications and improve service coverage, particularly in remote and maritime communities.

Finding B5.7: Lack of Visibility and Reporting on Project Progress

Project information relating to approval dates, implementation status, expenditure, contractor performance and anticipated completion timelines is not readily accessible to communities or other stakeholders. Limited transparency contributes to community frustration, inconsistent information sharing and reduced public confidence in programme delivery.

Finding B5.8: Long-Standing Projects Continue to Experience Cost Escalation

Prolonged delays in project implementation have contributed to significant cost increases for a number of rural electrification projects. As projects remain pending over extended periods, revised quotations, increased material costs and changing construction requirements place additional pressure on future programme budgets and reduce the number of projects that can be funded each year.

Finding B5.9: Material Procurement and Supply-Chain Challenges

Material shortages and procurement delays continue to affect project implementation. Contractors advised that delays in the supply of essential equipment have contributed to prolonged project delivery.

Finding B5.10: Impact on Rural Communities

Delays in rural electrification projects continue to adversely affect education, income-generating opportunities, communication, access to services and overall quality of life in affected communities. Reliable electricity remains fundamental to achieving equitable social and economic development outcomes throughout Fiji.

B6.0 Committee Recommendations

1. The Ministry of Public Works, Meteorological Services and Transport, through the Department of Energy, should establish and implement a comprehensive Rural Electrification Project Delivery Framework, including clear project milestones, implementation timelines, accountability measures and performance indicators for all approved projects.
2. Priority should be given to completing outstanding rural electrification projects approved between 2015 and 2018, particularly those where funding has already been allocated or preliminary works have commenced.
3. The Department of Energy and Energy Fiji Limited should jointly undertake an annual review of all approved but incomplete rural electrification projects to identify implementation bottlenecks, funding requirements and project risks, and develop targeted intervention plans for their completion.
4. The Department of Energy should strengthen project monitoring and oversight through regular project reporting, site inspections and performance reviews, to improve accountability and ensure projects are delivered within approved timeframes.
5. Energy Fiji Limited should strengthen contractor management arrangements through enhanced contractor performance assessments, capacity evaluations, and enforcement of contractual obligations relating to project delivery timelines and quality standards.
6. The Department of Energy, Energy Fiji Limited, Provincial Administrations, District Offices and relevant community representatives should establish a coordinated communication and monitoring mechanism to improve stakeholder engagement and facilitate the timely resolution of implementation challenges.
7. Energy Fiji Limited should review its contractor payment and approval processes and introduce defined service standards for invoice processing, inspections, commissioning approvals and contractor communications, to minimise unnecessary implementation delays.

8. The Department of Energy and Energy Fiji Limited should improve project sequencing by ensuring that power-line infrastructure, transformer installation, house wiring and energisation activities are planned and implemented under an integrated project schedule.
9. The Department of Energy should develop a long-term strategy to address the backlog of rural electrification applications — including the 8,232 pending Solar Home System applications and provide Parliament with annual updates on progress in reducing outstanding applications.
10. The Department of Energy, in collaboration with Energy Fiji Limited, should establish a centralised project information and reporting system providing timely information on project approvals, implementation status, expenditure, completion targets and outcomes to stakeholders and beneficiary communities.
11. The Department of Energy should undertake a comprehensive review of long-standing and delayed rural electrification projects to assess the impact of cost escalation on programme delivery and develop measures to minimise future cost increases arising from prolonged implementation delays.
12. Energy Fiji Limited should strengthen procurement planning and maintain adequate inventories of critical materials for rural electrification projects.

B7.0 Way Forward

Rural electrification remains a significant national development programme, with an important role in improving living standards, supporting economic activity and strengthening social wellbeing. However, the evidence gathered during the Inquiry demonstrates continuing weaknesses in project implementation, monitoring, coordination and accountability.

The Committee considers that the principal challenge facing the Rural Electrification Programme is not solely the availability of funding approvals, but the timely implementation, monitoring and completion of approved projects. Stronger accountability, more effective contractor management, improved inter-agency coordination and clearer communication with communities will be essential to improving programme outcomes.

The Committee urges the Department of Energy and Energy Fiji Limited to give due consideration to the recommendations contained in this Report. Priority should be given to completing long-outstanding projects, strengthening monitoring and reporting arrangements, and ensuring that rural communities receive timely access to electricity in accordance with Government commitments and national development objectives.

8.0 Sustainable Development Goals

While the Energy Fiji Limited Annual Report 2025 does not contain a dedicated Sustainable Development Goals (SDG) reporting framework or explicit SDG mapping, the Committee notes that many of EFL's activities and programmes contribute directly to Fiji's national development priorities and several United Nations Sustainable Development Goals.

The Committee further notes that the inclusion of a dedicated SDG reporting section in future Annual Reports would strengthen transparency, demonstrate EFL's broader contribution to sustainable development, and enable Parliament and stakeholders to monitor progress against national and international development commitments.

SDG 7: Affordable and Clean Energy

EFL continues to play a critical role in improving access to affordable, reliable and sustainable energy throughout Fiji. During 2025, EFL supplied electricity to approximately **227,607 customers**, generated **1,248,104 MWh** of electricity and continued to expand electricity access through rural electrification programmes. Investments in renewable energy projects, including the commissioning of the **1MW Mua Solar Farm and Battery Energy Storage System in Taveuni**, support Fiji's transition towards cleaner energy and contribute to the national target of achieving at least **90 percent renewable electricity generation by 2035**.

SDG 8: Decent Work and Economic Growth

Through its ongoing operations, infrastructure investment programme and workforce development initiatives, EFL contributes to economic growth, employment creation and skills development. The Company continued to support apprenticeship programmes, technical training and professional development opportunities while also enabling broader economic activity through the provision of reliable electricity infrastructure essential for businesses, industries and communities.

SDG 9: Industry, Innovation and Infrastructure

EFL's significant investment in national energy infrastructure contributes directly to building resilient infrastructure and supporting industrial development. Key projects progressed during 2025 included the **Kinoya 20MW Thermal Power Station**, **Vuda 30MW Thermal Power Station**, the **Virara–Koronubu 132kV Transmission Project**, major substation upgrades, battery storage systems and ongoing digital transformation initiatives. These investments strengthen network reliability, improve energy security and support long-term economic development.

SDG 10: Reduced Inequalities

The Committee notes that Government-funded electricity subsidies, rural electrification programmes and Solar Home System initiatives assist in reducing disparities between urban and rural communities. These programmes improve access to essential electricity services for low-income households, remote communities and underserved regions, supporting greater social and economic inclusion.

SDG 11: Sustainable Cities and Communities

EFL contributes to the development of safer, more inclusive and sustainable communities through the expansion of electricity access, improvements to network reliability and investments in critical

infrastructure. Rural electrification projects, grid-extension programmes and transmission upgrades improve living standards, support education and healthcare services, and strengthen resilience within communities throughout Fiji.

SDG 13: Climate Action

The Committee notes EFL's continued commitment to reducing reliance on imported fossil fuels and increasing the share of renewable energy within Fiji's electricity generation mix. Ongoing investment in hydropower, solar energy, battery storage systems and future renewable energy developments contributes to climate-change mitigation efforts and supports Fiji's national climate resilience objectives.

SDG 17: Partnerships for the Goals

EFL works closely with Government, development partners, international financial institutions and private-sector stakeholders to support Fiji's energy transition agenda. Partnerships with organisations such as the **Asian Development Bank (ADB)**, **World Bank**, **European Investment Bank (EIB)**, **International Finance Corporation (IFC)**, **KOICA**, **JICA** and other development partners continue to provide technical expertise, financing and capacity-building support for major energy projects and renewable-energy initiatives.

9.0 Conclusion

The Committee acknowledges Energy Fiji Limited's positive financial performance during the 2025 financial year, including the achievement of a profit after tax of \$22 million, continued investment in electricity infrastructure, and progress towards Fiji's renewable energy objectives. The Committee also notes improvements in reporting on rural electrification and the expansion of electricity access to communities across Fiji.

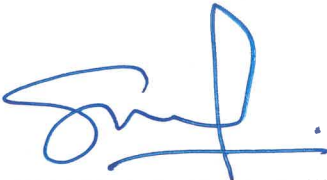
However, the Committee remains concerned by several unresolved issues relating to capital expenditure delivery, rising debt levels, continued reliance on imported fuel, limited transparency on customer shareholder benefits and customer security deposits, and the need for clearer reporting on tariff-funded investments and rural electrification outcomes. The Committee also emphasises the importance of improving customer service accessibility, particularly outside normal business hours.

Regarding rural electrification, the Committee considers that the principal challenge facing the Rural Electrification Programme is not solely the availability of funding approvals, but the timely implementation, monitoring and completion of approved projects. Stronger accountability, more effective contractor management, improved inter-agency coordination and clearer communication with communities will be essential to improving programme outcomes.

The Committee urges the Department of Energy and Energy Fiji Limited to give due consideration to the recommendations contained in this Report. Priority should be given to completing long-outstanding projects, strengthening monitoring and reporting arrangements, and ensuring that rural communities receive timely access to electricity in accordance with Government commitments and national development objectives.

The Committee believes that the implementation of the recommendations contained in this Report will strengthen transparency, accountability and consumer confidence, while ensuring that investments in Fiji's electricity sector deliver timely, measurable and equitable benefits to all Fijians. The Committee expects Energy Fiji Limited to report on progress made against these recommendations in future Annual Reports.

10.0 Committee Members' Signatures

 Hon. Sakiusa Tubuna Chairperson	
 Hon. Premila Kumar Deputy Chairperson	 Hon. Semi Koroiavesau Member
 Hon. Alipate Tuicolo Member	 Hon. Kalaveti Ravu Member
	

11.0 Annexure

Published evidence

Written evidence, transcripts and supporting documents can be viewed on the Parliament website at the following link:

<https://www.parliament.gov.fj/committees/standing-committee-on-economic-affairs/>